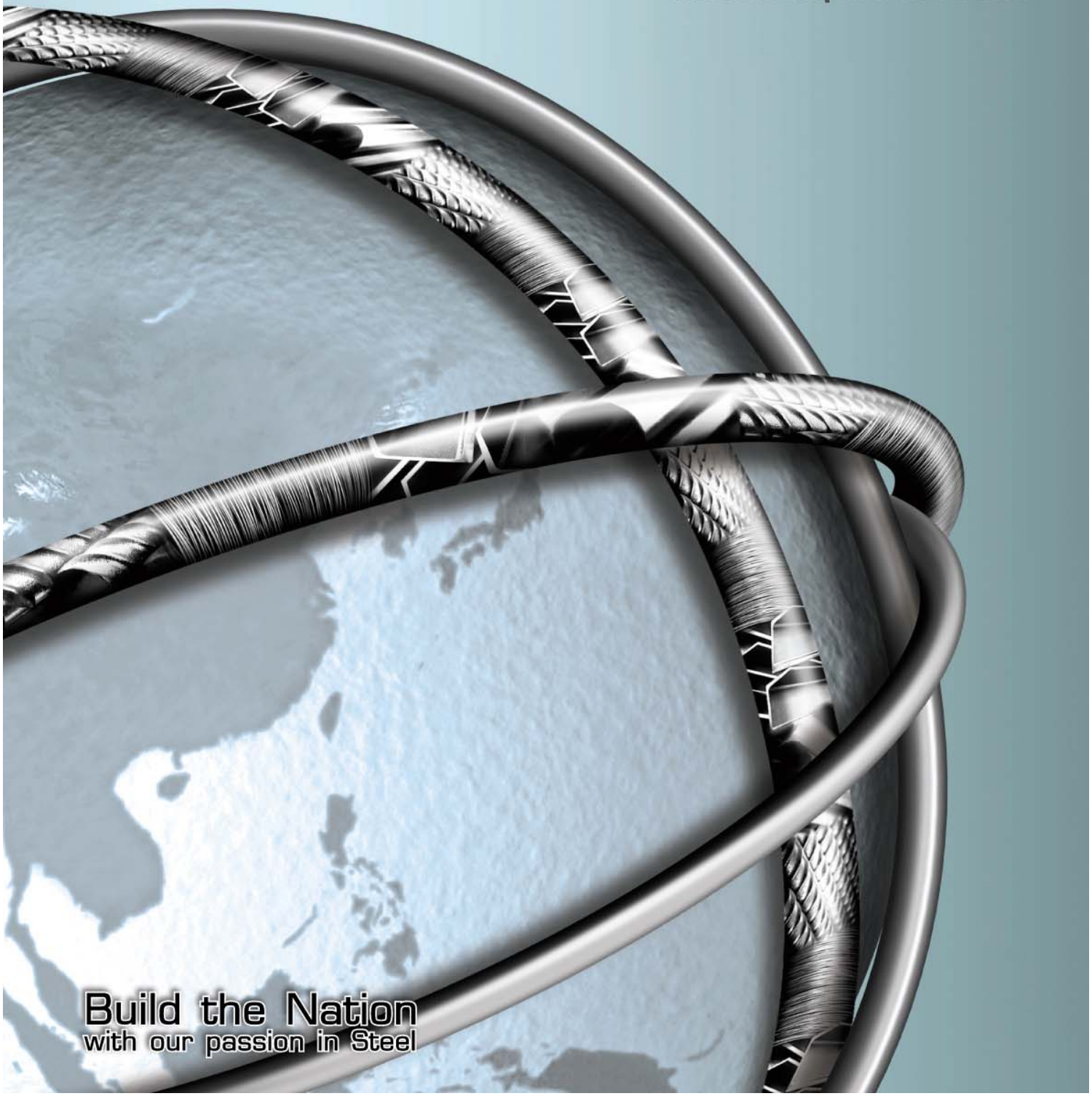
TATA STEEL (THAILAND)

TATA

Tata Steel (Thailand)

Public Company Limited

Annual Report 2010-2011



Build the Nation
with our passion in Steel

VISION AND GOALS

Tata Steel (Thailand) aspires to be a profitable 5 million tons long and flat steel producer.

By fiscal year 2015, the Company aims to be a 3 million tons producer and market leader in long products in Thailand and with significant presence in ASEAN.

The pillars for achieving the above will be our keen focus on people development, customer intimacy and good corporate citizenship.



GOAL 2015

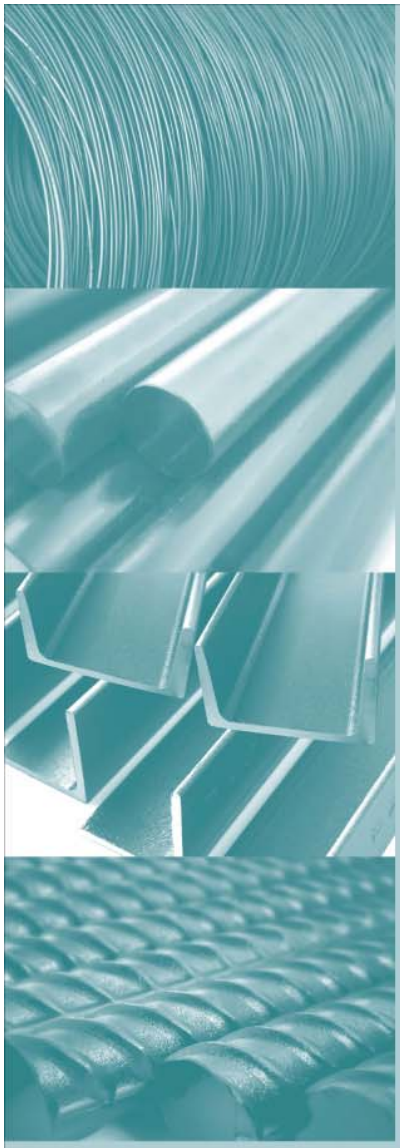
Value Creation
Increase our Return on Invested Capital (ROIC) to 12%

Safety
Reduce Lost Time Injury Frequency (LTIF) to 0.4

Environment
Maintain Carbon Dioxide (CO2) emissions to less than 1.0 Ton/ton of liquid steel

Employer of choice
Across all Industries – Top Quartile





ACCREDITED BY IAF& PAC MLA GROUP MEMBER

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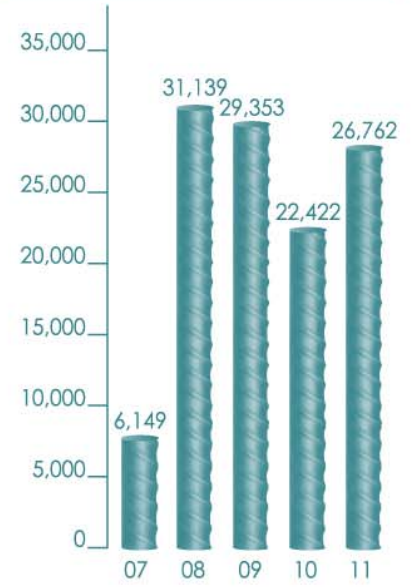


CONSOLIDATED FINANCIAL HIGHLIGHTS

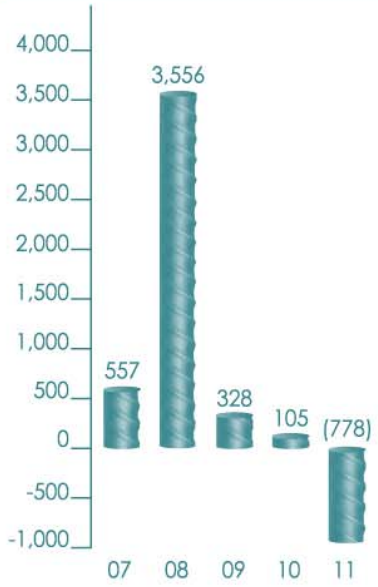
Financial Statement	Million Baht		
	2011	2010	2009
Statement of Income			
Net Sales	26,761.72	22,421.75	29,352.78
Total Revenues	26,819.64	22,520.38	29,443.21
Gross Profit	(96.91)	707.01	1,095.42
Earnings before Income Tax, Interest Expense and Financial Charges, Depreciation and Amortization (EBITDA)	326.60	1,023.53	1,156.75
Net Profit (Loss)	(976.00)	(54.40)	80.93
Net Cash Provided by Operating Activities	(667.32)	(151.07)	2,575.82
Balance Sheets			
Total Assets	24,913.23	26,514.84	25,027.90
Total Liabilities	9,799.38	10,421.31	8,878.98
Total Equity of the Company's Shareholders	15,110.31	16,085.82	16,139.32
Total Shareholders' Equity	15,113.85	16,093.53	16,148.92
Issued and Fully Paid of Share Capital	8,421.54	8,421.54	8,421.54
Financial Ratio			
Par Value (Baht)	1.00	1.00	1.00
Book Value per Share (Baht)	1.79	1.91	1.92
Earnings (Loss) per Share (Baht)	(0.12)	(0.01)	0.01
Proposed Dividends per Share (Baht)	-	-	-
Return on Total Revenues (%)	(3.65)	(0.24)	0.27
Return on Assets (%)	(3.81)	(0.21)	0.32
Return on Equity (%)	(6.28)	(0.34)	0.49
Debt to Equity Ratio (Time)	0.65	0.65	0.55
Time Interest Earned Ratio (Time)	1.11	6.81	5.22

CONSOLIDATED FINANCIAL HIGHLIGHTS

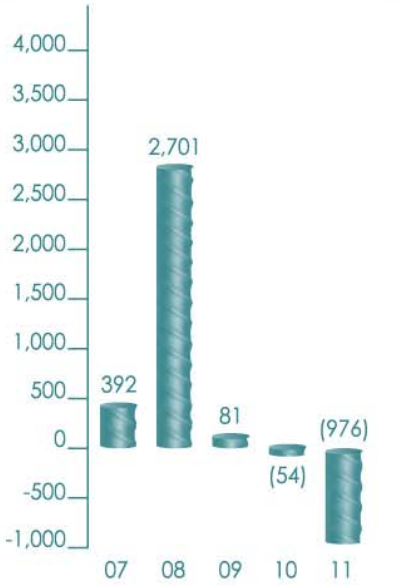
Net Sales (Million Baht)



Operating Profit (Million Baht)

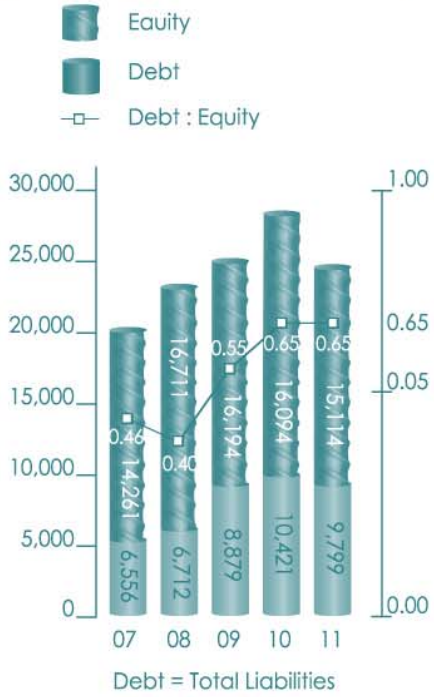


Profit after tax (Million Baht)



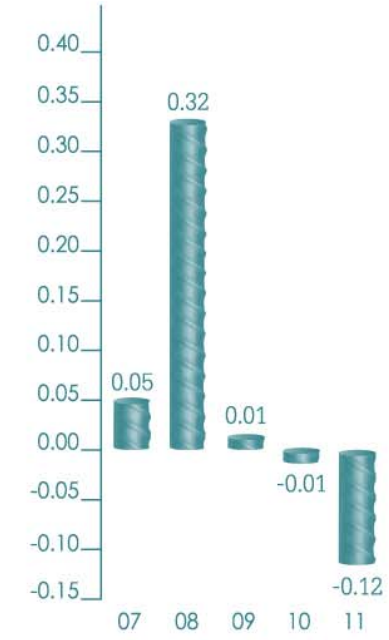
Operating Profit = Profit before interest expense and financial charges, and Income Tax

Debt to Equity

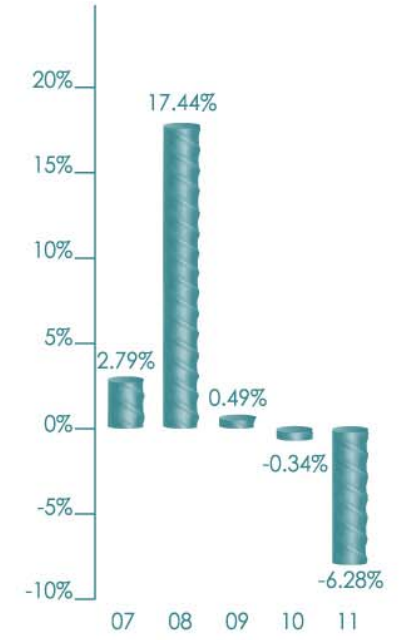


Debt = Total Liabilities

Earning Per Share (Baht per Share)



Return on Equity (%)



Notes : ❑ Data for the year 2007 was the operating performance for 3 months (January - March 2007) due to the Company's fiscal year changing .

❑ Data for the year 2008 was the operating performance for 12 months (April 2007- March 2008) which is the first new fiscal year.

GENERAL INFORMATION OF COMPANY AND SUBSIDIARIES

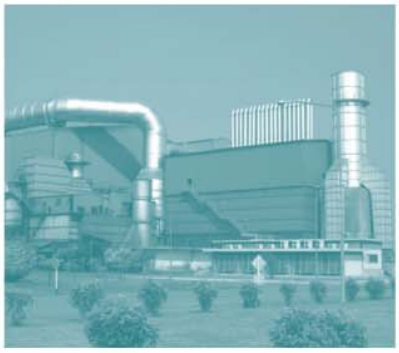
Tata Steel (Thailand) Public Company Limited

(Formerly known as : Millennium Steel Public Company Limited or "MS")

Registration No.	0107545000136
Business Type	Manufacturer and distributor of long steel products.
Securities Trading Symbol	TSTH, TSTH-W1 and TSTH-W2
ISIN Number	Local TH0692010000 Foreign TH0692010018 NVDR TH0692010R12
Established	July 12, 2002
Listing Date	November 29, 2002
Trading Date	December 18, 2002
Head Office	Shinawatra Tower 3, 22nd Floor, 1010 Viphavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand Tel.66 (2) 949-2949 Fax. 66 (2) 949-2879
Website	http://www.tatasteelthailand.com
Authorized Capital	11,025,579,573 Baht Ordinary Shares 10,772,806,348 shares Preferred Shares 252,773,225 shares
Paid Up Capital	8,421,540,848 Baht Ordinary Shares 8,168,767,623 shares Preferred Shares 252,773,225 shares
Par Value	1.00 Baht per share
Warrant	TSTH – W1 1,083,275,200 units TSTH – W2 1,520,763,525 units Total 2,604,038,725 units
Registrar	**Thailand Securities Depository Company Limited** 4, 6 -7th Floor, The Stock Exchange of Thailand Building, 62 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 66 (2) 229-2800 Fax 66 (2) 359-1262-3
Auditors	Mr. Montree Panichakul Certified Public Accountant Registration No.3461 **Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.** Rajanakarn Building, 25th Floor, 183 South athorn Road, Yannawa, Sathorn, Bangkok, 10120, Thailand Tel. 66 (2) 676-5700 Fax 66 (2) 676-5757
Legal Advisor	**SCG Legal Counsel Limited** 1 Siam Cement Road, Bangsue, Bangkok 10800, Thailand Tel. 66 (2) 586-5777, 66 (2) 586-5888 Fax 66 (2) 586-2976
Investor Relations	Miss Pratana Sinhaneti Rasa Tower 2, 20th Floor, 555, Phaholyothin Road, Chatuchak, Bangkok, 10900, Thailand Tel. 66 (2) 937-1000 Ext. 1560 Fax 66 (2) 937-1223 Email : pratanas@tatasteelthailand.com

GENERAL INFORMATION OF COMPANY AND SUBSIDIARIES

N.T.S. Steel Group Public Company Limited



% of shareholding: 99.66

Registration No.	0107536001273
Business Type	Manufacture rebars and wire rods
Factory	No. 351, Moo 6, 331 Highway, Hemaraj Chonburi Industrial Estate, Bowin, Sriracha, Chonburi Province 20230 Tel. 66 (3) 834-5355 Fax. 66 (3) 834-5350
Authorized Capital	4,628,010,864.00 Baht
Paid Up Capital	3,253,398,864.00 Baht
Par Value	1.20 Baht
Warrant total	1,145,510,000 shares NTS - W1 476,530,000 shares NTS - W2 668,980,000 shares

The Siam Construction Steel Company Limited



% of shareholding: 99.99

Registration No.	0105532094348
Business Type	Manufacture rebars
Factory	Plot I-23, Map Ta Phut Industrial Estate, Ampher Muang, Rayong Province 21150 Tel. 66 (3) 868-3968 Fax. 66 (3) 868-3969
Authorized Capital	1,750,000,000.00 Baht
Paid Up Capital	1,750,000,000.00 Baht
Par Value	100 Baht

The Siam Iron and Steel (2001) Company Limited



% of shareholding: 99.99

Registration No.	0105544085276
Business Type	Manufacture wire rods and small section
Factory	No. 49 Moo 11, Tambon Bang Khamode, Ampher Ban Mor, Saraburi Province 18270 Tel. 66 (3) 628-8000 Fax. 66 (3) 628-8002
Authorized Capital	120,000,000.00 Baht
Paid Up Capital	120,000,000.00 Baht
Par Value	100 Baht



Dear Shareholders,

Greetings

The global steel industry which had got impacted severely by the financial crisis of 2008-2009 saw a steady recovery in 2010 driven by the stimulus packages globally, resilience of emerging economies and an overall market recovery. While the worst seems to be over for the steel industry, there is no consensus on the pace of the recovery.

Thailand's economy rose 3.9% y-o-y, but the economy having strong fundamentals and robust domestic market, was not able to realize its tremendous potential, as government projects got delayed due to political uncertainty. The growth in steel intensity in Thailand was driven by the expansion in auto segment, which led to rise in scrap prices, essential raw material for the EAF manufacturers. Long product prices due to muted demand did not witness matching price increase, compressing margins and hurting the financial performance of your company.

In FY2010 we successfully commissioned the Mini Blast Furnace (MBF). Changes in raw material contracting dynamics and supply chain disruptions, led to increased volatility in raw material prices, impairing the efficacy of the Mini Blast Furnace. This phenomenon affected steel manufacturers globally, and not only the Company in isolation.

In spite of series of pressures faced by the Company, not entirely of its own making, Company continued to deliver on its all round performance. The production output increased by 6% and we continued enriching our product-mix. Market share in the Special Wire Rod category increased to 37%, while maintaining leadership position, in product segments like Rebars and Wire Rods.

"WE ARE PLANNING TO LAUNCH "TATA TISCON". WE AIM TO ACHIEVE HIGHER MARKET PENETRATION AND CUSTOMER INTIMACY, THROUGH OUR ONGOING "RETAIL VALUE

Mr. Hemant Madhusudan Nerurkar
Chairman



We have begun FY2012 on a cautious but determined note, with a strong belief that the worst is behind us. We are aware of the urgent need to re-prioritize production strategies in consonance with changing market conditions. We plan to execute our multi pronged strategy with the aim to improve Company's profitability.

MANAGEMENT" PROGRAM. OUR FOCUS IS TO BUILD ON RELATIONSHIP WITH CUSTOMERS AS OPPOSED TO COMPETITORS, WHO PLAY THE MARKET FOR SHORT-TERM GAINS."

In line with our overall endeavor to de-commoditize the rebar business and introduce differentiated products, we are planning to launch "TATA TISCON". We aim to achieve higher market penetration and customer intimacy, through our ongoing 'Retail Value Management' program. Our focus is to build on relationship with customers as opposed to competitors, who play the market for short-term gains.

We are focused to reduce the cost base of the company, by leveraging parent company's global position to access raw materials and making Improvements in operating parameters, harnessing domain knowledge available with the parent.

Thailand, is poised to grow briskly, with the Company partnering, in the historic task of nation building. We are a value driven, socially responsible, corporate house; committed to create value for all stakeholders.

Lastly, the Board of Directors would like to express our gratitude to the shareholders, customers, employees, business alliances, financial institutions both local and overseas, media as well as all other related government and private agencies for their trust and support upon our business.

Mr. Laptawee Senavonge
President

Mr. Hemant Madhusudan Nerurkar

Chairman
Age 63



No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Bachelor of Technology (Metallurgical Engineering), Collage of Engineering, Pune, India

Working experiences in the 5 preceding years

2010 - Present	Chairman, Tata Steel Holdings Pte Ltd., Singapore
2010 - Present	Chairman, Tata Steel Global Holdings Pte Ltd., Singapore
2010 - Present	Chairman,Tata Steel Global Minerals Holdings Pte Ltd., Singapore
2010 - Present	Chairman, Tata Steel Global Procurement Co. Pte. Ltd., Singapore
2010 - Present	Chairman, Proco Issuer Pte Ltd., Singapore
2010 - Present	Chairman, Corus Consulting Ltd. U.K.
2010 - Present	Director, CEDEP., France.
2010 - Present	Director, Xavier Institute of Management, Bhubaneswar
2010 - Present	President, Institute for Steel Development & Growth
2010 - Present	Director, New Millenium Capital Corporation, Canada
2009 - Present	Managing Director, Tata Steel Limited, India
2009 - Present	Director, World Steel Association, Belgium.
2008 - Present	Director, NatSteel Asia Pte Ltd., Singapore
2008 - Present	Director, NatSteel Holdings Pte Ltd., Singapore
2006 - Present	Director, Tata BlueScope Steel, India
2003 - 2010	Chairman, TM International Logistics Ltd., India
2009 - 2009	Executive Director, India & South East Asia.
2008 - 2009	Chairman, Hooghly Met Coke & Power Co. Ltd., India
2008 - 2009	Chairman, JAMIPOL, India
2008 – 2009	Chairman, Tata Metaliks Ltd., India
2007 - 2009	Chief Operating Officer Tata Steel Limited, India



Mr. Koushik Chatterjee

Vice Chairman,
Chairman of the Executive Committee,
Chairman of the Corporate Governance and Nomination Committee and
Chairman of the Remuneration Committee
Age 42

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Bachelor of Commerce (Honours), University of Calcutta, India
- F.C.A (Fellow Member of the Institute of Chartered Accountants of India), Institute of Chartered Accountants of India

Working experiences in the 5 preceding years

2010 - Present	Director, Tata Steel Global Procurement Co., Ltd., Singapore
2010 - Present	Director, ProCo Issuer Pte Limited, Singapore.
2009 - Present	Director, Centennial Steel Company Ltd.
2009 - Present	Chairman & Director, Tata Metaliks Ltd.
2009 - Present	Director, Tata Steel Global Minerals Holdings Pte Limited, Singapore
2008 - Present	Director, NatSteel Holdings Pte Limited, Singapore
2008 - Present	Director, Tata Steel Global Holdings Pte Ltd., Singapore
2007 - Present	Director, Tata Steel Netherlands B V, Netherlands
2007 - Present	Director, Tulip Netherlands (No. 1) B V, Netherlands
2007 - Present	Director, Tulip Netherlands (No. 2) B V, Netherlands
2006 - Present	Director, Tata Steel UK Ltd., U.K.
2006 - Present	Director, Tata Steel Europe Limited
2006 - Present	Director, Tulip UK Holdings (No. 2) Ltd., UK
2006 - Present	Director, Tulip UK Holdings (No. 3) Ltd., UK
2006 - Present	Director, Tatasteel Holdings Pte Ltd., Singapore
2005 - Present	Director, NatSteel Asia Pte Ltd., Singapore
2004 - Present	Chairman & Director, The Tinplate Company of India Ltd.
2004 - Present	Chairman & Director, Kalimati Investment Co., Ltd., India
2004 - Present	Chairman & Director, Rujuvalika Investments Ltd., India
2004 - Present	Director, Tata Services Ltd., India
2003 - Present	Group Chief Financial Officer Tata Steel Limited, India
2005 - 2010	Director, Southern Steel Berhad, Malaysia
2009 - 2009	Director, Orchid Netherlands (No.1) B V, Netherlands
2006 - 2008	Director, Tata Steel KZN (Pty) Ltd., South Africa
2006 - 2008	Director, The Dhamra Port Co., Ltd., India
2005 - 2006	Director, NatSteel Asia (S) Pte. Ltd., Singapore
2002 - 2008	Director, Tata Refractories Ltd., India

Mr. Kriang Kiatfuengfoo



Independent Director and
Chairman of the Audit Committee
Age 63

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Master of Business Administration, Michigan State University, USA
- Bachelor of Economics, University of Wisconsin, USA
- Directors Accreditation Program (DAP : 1/2003)
- Audit Committee Program (ACP : 4/2005)
- The Role of the Chairman Program (RCP 12/2005)

Working experiences in the 5 preceding years

2001 - Present	Independent Director, TPT Petrochemicals Plc.



Mr. Maris Samaram

Independent Director,
Member of the Audit Committee and
Member of the Corporate Governance and Nomination Committee
Age 68

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Bachelor of Accounting, University of the East, Philippines
- Program for Management Development, Harvard Business School, USA
- Directors Certification Program (DCP : 33/2003)
- Board's Failure and How to Fix it
- Audit Committee Program (ACP : 3/2004)
- Monitoring the Internal Audit Function (MIA : 3/2008)
- Monitoring the System of Internal Control and Risk Management (MIR : 4/2008)
- The Responsibilities and Liabilities of Directors and Executives under the New SEC ACT (May 2008)
- Handling Conflicts of Interest: What the Board Should Do? (2008)

Working experiences in the 5 preceding years

2010 - Present	Indepent Director and Audit Committee member, Indorama Ventures PCL.
2008 - Present	Director and Audit Committee member, Indorama Polymers Ltd.
2005 - Present	Executive Committee and Chairman of the Audit Committee, Asian Institute of Technology
2005 - Present	Director, PAC Siam Co., Ltd.
2004 - Present	Director, Marsh PB Co., Ltd.
2003 –Present	Independent Director and Chairman of the Audit Committee, Siam Commercial Bank Plc.
2001 - Present	Advisor, M.E.D. Co., Ltd.
2004 - 2010	Independent Director and Audit Committee Member, Sub Sri Thai Warehouse Plc.



Asst. Prof. Rawewan Peyayopanakul

Independent Director, Member of the Audit Committee, Member of the Corporate Governance and Nomination Committee and Member of the Remuneration Committee
Age 63

No. of Shareholding (%) : 22,000 (0.00)
Relative : None
Education / IOD's program

- Master of Business Administration, Michigan State University, USA
- Bachelor of Accounting, Thammasat University
- Directors Accreditation Program (DAP : 4/2003)
- Audit Committee Program (ACP : 4/2005)

Working experiences in the 5 preceding years

2008 - Present	Independent Director and Chairman of the Audit Committee, Sabina Plc.
2000 - Present	Independent Director and Member of the Audit Committee, Thai Cane Paper Plc.
1999 - Present	Independent Director and Member of the Audit Committee, Thai Theparos Food Products Plc.

Mr. Hridayeshwar Jha

Director and
Member of the Executive Committee
Age 55



No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Executive Development Program, CEDEP (European Center for Executive Development), INSEAD, France
- Post Graduate Diploma in Business Management, Xavier Labour Reations Institute, Jamshedpur, India
- Master of Science (Engineering), Power Electronics, R.I.T., Jamshedpur, Ranchi University, India
- Bachelor of Technology (Electrical Engineering), Banaras Hindu University, India

Working experiences in the 5 preceding years

2010 - Present	Vice President Orissa Project, Tata Steel Limited, India
2010 - Present	Member - Governing Body, XAVIER INSTITUTE OF MANAGEMENT, Bhubaneswar, India
2008 - Present	Director, NatSteel Asia Pte, Ltd., Singapore
2009 - 2010	Chairman, Indian Steel wires Product Ltd., India
2008 - 2010	Vice President (Safety & Long Product) Tata Steel Limited, India
2008 - 2009	Director, Tata Refractories Limited, India
2008 - 2009	Director, TM International Logistics (TMILL), India
2007 - 2009	Director, Tata Steel Asia (Hong Kong)
2007 - 2009	Director, Raw Met, India
2006 - 2007	Executive in Charge, Ferro Alloys and Minerals Division, TSL, India

Mr. Taratorn Premsoontorn

Director and
Member of the Remuneration Committee
Age 48



No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Master of Business Administration, Oklahoma City University, USA
- Bachelor of Economics, Chulalongkorn University
- Directors Certification Program (DCP : 40/2004)
- Directors Accreditation Program (DAP : 2/2003)
- Finance for Non-Finance Directors Program (FND : 7/2003)

Working experiences in the 5 preceding years

2001 - Present	Director, Sriracha Harbour Plc.
1996 - Present	Senior Vice President, Bangkok Bank Plc.
2003 - 2009	Director, Prasit Patana Plc.



Mr. Thachat Viswanath Narendran

Director and
Member of the Executive Committee
Age 45

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Masters in Business Administration from the Indian Institute of Management in Calcutta
- Bachelor of Engineering (Honors) in Mechanical Engineering
- Advanced Management Programme in CEDEP INSEAD, Fountainbleau, France
- Chevening Scholar 1996

Working experiences in the 5 preceding years

2010 - Present	Director, Tinplate Company of India Ltd.
2010 - Present	Director, Tata Steel Processing of Distribution Limited.
2008 - Present	Director, NatSteel Asia Pte. Ltd.
2008 - Present	Director, NatSteel Holdings Pte Ltd
2009 - 24/05/10	Alternate Director, Southern Steel Berhad
2008 - 01/04/10	Chairman, The Siam Industrial Wire Co., Ltd.
2008 - 01/04/10	Chairman & Legal Representative, NatSteel (Xiamen) Ltd.
2008 - 01/04/10	Chairman & Legal Representative, Wuxi Jinyang Metal Products Co., Ltd.
2007 - 01/04/10	Director, Materials Recycling Pte Ltd.
2007 - 01/04/10	Director, NatSteel Recycling Pte Ltd.
2007 - 01/04/10	Director, NatSteel (Xiamen) Ltd.
2007 - 01/04/10	Komisaris, PT Material Recycling Indonesia
2006 - 01/04/10	Director, Burwill Trading Pte Ltd.
2006 - 01/04/10	Director, Eaststeel Construction Services Private Ltd.
2006 - 01/04/10	Director, Eastern Steel Services Pte Ltd.
2006 - 01/04/10	Director, NatSteel Asia (S) Pte Ltd.
2006 - 01/04/10	Director, Wuxi Jinyang Metal Products Co., Ltd.
2006 - 01/04/10	Director, SteelAsia Manufacturing Corporation



Mr. Laptawee Senavonge

President and
Member of the Executive Committee
Age 54

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Master of Business Administration, Sasin
- Bachelor of Engineering, Chulalongkorn University
- Directors Certification Program (DCP : 138/2010)

Working experiences in the 5 preceding years

2008 - Present	Vice Chairman, Thailand Iron and Steel Industry Club, The Federation of Thai Industries
2008 - Present	Director, The Siam Iron and Steel (2001) Co., Ltd.
2008 - Present	Director, The Siam Construction Steel Co., Ltd.
2004 - Present	Director, N.T.S. Steel Group Plc.
2004 - 2008	Managing Director, The Siam Construction Steel Co., Ltd.

Mr. Amit Ghosh

Chief Financial Officer
Age 57



No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Master in Business Administration, XLRI, Jamshedpur, India
- Associate Member of Institute of Cost and Works Accountants of India.
- Bachelor of Commerce (Honours), University of Calcutta

Working experiences in the 5 preceding years

1996 - 2007	Vice President - Finance & Accounting, Tata Metaliks Ltd., India



Mr. Theerayuth Lertsirarungsun

Vice President – Engineering and Product Development
Age 54

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- Master of Metallurgy, Columbia University, USA
- Bachelor of Engineering (Mechanical), Chulalongkorn University

Working experiences in the 5 preceding years

2005 - 2006	Engineering and Technical Department Manager, Tata Steel (Thailand) Plc.
2003 - 2005	Special Category Product Department Manager, Tata Steel (Thailand) Plc.

Mr. Sunil Seth

Vice President – Marketing & Sales
Age 50



No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- BSC (Engineering), Mechanical, Birla Institute of Technology, India
- General Management Program, CEDEP, INSEAD , France

Working experiences in the 5 preceding years

2004 - 2007	Chief of Marketing & Sales (Long Products), Tata Steel Ltd., India	2003 - 2004	Chief of Marketing (Long Products), Tata Steel Ltd., India



Mr. Aditya Roy Choudhury

Vice President - Procurement
Age 46

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program

- General Management Programme, CEDEP (European Centre for Executive Development), INSEAD, Fontainbleau, France
- Bachelor of Engineering, Electronics&Comm. Birla Institute of Technology, Ranchi, India
- Fulbright Scholar, Carnegie Mellon University, USA, 2003

Working experiences in the 5 preceding years

2009 - Present	Director, Sila Eastern Ltd.	2008 - 2009	Managing Director, The Siam Construction Steel Co., Ltd.
2008 - Present	Director, N.T.S. Steel Group Plc.	2006 - 2007	Vice President - Business Analysis Tata Steel (Thailand) Plc.

Mr. Sirorote Matemanosak

Vice President – Human Resources &
Corporate Affairs
Age 48



No. of Shareholding (%) : 220,000 (0.00)
Relative : None
Education / IOD's program

- Master of Business Administation, Kasetsart University
- Bachelor of Laws, Thammasat University

Working experiences in the 5 preceding years

2008 - 2009	Chief of Corporate Human Resources, Tata Steel (Thailand) Plc.	2003 - 2008	Manager – Corporate Secretary Office, Tata Steel (Thailand) Plc.



Mr. Thana Ruangsilasingha

Managing Director
N.T.S. Steel Group Plc.
Age 56

No. of Shareholding (%) : 50,000 (0.00)
Relative : None
Education / IOD's program
- Master of Engineering, Ohio State University, USA
- Bachelor of Engineering, Chulalongkorn University

Working experiences in the 5 preceding years

2004 - Present	Director, The Siam Construction Steel Co., Ltd.	2003 - 2010	Managing Director, The Siam Iron and Steel (2001) Co., Ltd.

Mr. Wisoot Anupunthumetha

Managing Director
The Siam Iron and Steel (2001) Co., Ltd.
Age 56

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program
- Bachelor of Engineering, Chulalongkorn University



Working experiences in the 5 preceding years

2003 - 2010	Managing Director, N.T.S. Steel Group Plc.



Mr. Parin Teerakathiti

Managing Director
The Siam Construction Steel Co., Ltd.
Age 54

No. of Shareholding (%) : 0
Relative : None
Education / IOD's program
- Bachelor of Engineering, Chulalongkorn University

Working experiences in the 5 preceding years

2009 - 2009	Vice President - Procurement, Tata Steel (Thailand) Plc.	2006 - 2007	Procurement Department Manager, Tata Steel (Thailand) Plc.

All of the Board of Directors and Management have no prohibited qualifications as following :
- Relating in the field of the criminal case and verdict incurred from the property/asset misconduct.
- Relating in the field of the connected transaction triggering the conflict of interest of the Company in the previous year.
- Have no kinship among each other.

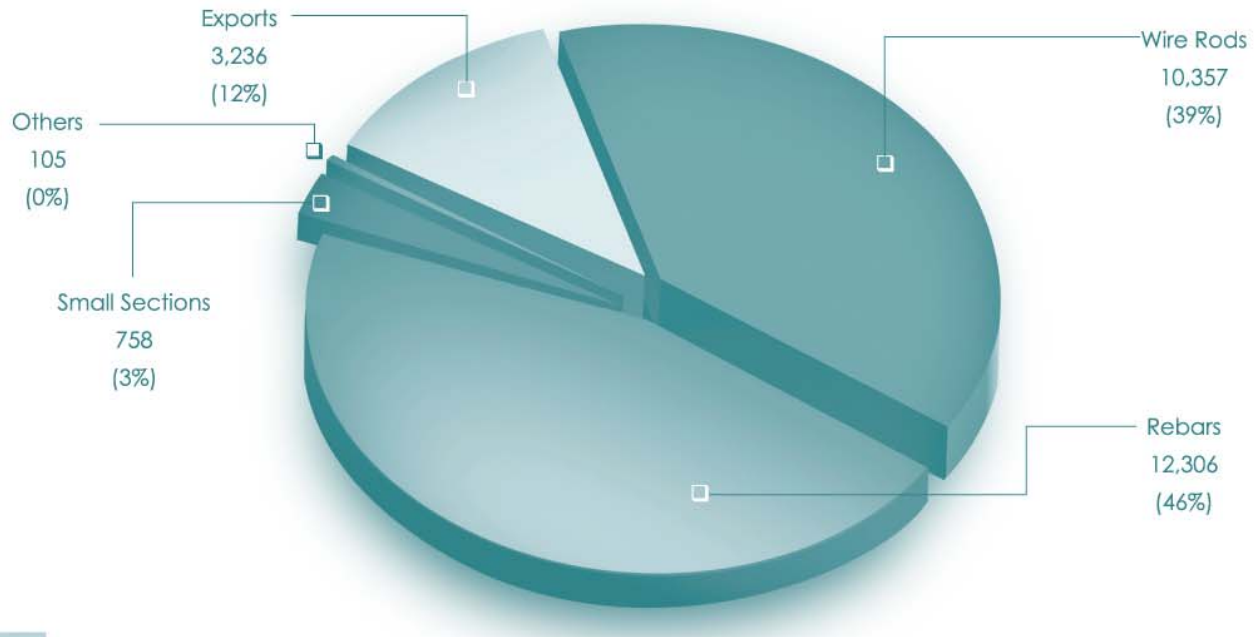
NATURE OF BUSINESS

Structure of Revenue

The proportions of the Company's revenue from the sales by product lines, as produced by subsidiaries, are as follows :

Line of Products	Audited Year 2010 - 2011 (Million Baht)	%	Audited Year 2009 - 2010 (Million Baht)	%	Audited Year 2008 - 2009 (Million Baht)	%
Domestic Market						
Rebars	12,306	45.98	11,444	51.04	16,896	57.56
Wire Rods	10,357	38.70	7,704	34.36	7,684	26.18
Small Sections	758	2.83	617	2.75	885	3.02
Others & Billets	105	0.39	127	0.57	349	1.18
Total Revenues from Domestic Sales	23,526	87.91	19,892	88.72	25,814	87.94
Exports						
Rebars	1,678	6.27	980	4.37	2,409	8.2
Wire Rods	1,557	6.82	1,538	6.86	805	2.74
Small Sections	-	-	-	-	3	0.01
Others & Billets	-	-	12	0.05	322	1.10
Total Revenues from Exports	3,236	12.09	2,530	11.28	3,539	12.06
Total Revenues	26,762	100.00	22,422	100	29,353	100.00

Revenue from Sale 2010-2011 (Million Baht)



Business Description of the Company and its subsidiaries

The Company operates its business as a Holding Company with shareholding in 3 subsidiaries namely the NTS, SISC and SCSC. The 3 subsidiaries are producers of rebars, wire rods and small sections steel.

The Company's operation is undertaken as a group with the Company as the top policy maker and the 3 subsidiaries would be responsible for carrying out the operation according to the prescribed policy of the Company with regard to marketing, production plans, raw materials sourcing, finance, human resources management and other aspects of administration.

The Company's major shareholder is the Tata Steel Global Holdings Pte. Ltd. ("TSGH"), which is wholly owned by Tata Steel Limited ("TSL"), which operates its business as an investment company with head office in Singapore. TSL is a registered company incorporated under Indian Laws and is one of India's largest and comprehensive steel producers in terms of production capacity. The products include Hot rolled coil, Cold rolled coil, Sheet, Rebar, Wire rod etc. The target customers of TSL are mainly in India, whereas the Company's target customers are approximately 90% domestic while exports are of different types of products. Though TSL is in the same steel industry as the Company, but its product lines are much more diversified and cater to different group of customers. TSL has an aim to support its affiliate in business operation which would help strengthen Company's potentiality without creating any conflict of interest.

Policy on division of operation between companies within the group

The Company has a policy to allocate production capacity of each subsidiary for maximum production effectiveness with the aim to maintain the cost of production at the lowest level. The production capacity of each product is allocated as follows :

1) NTS would produce rebar and wire rods.

2) SISC would mainly produce high value products such as High Carbon Wire Rods, Special Wire Rods and Small Sections.

3) SCSC would produce rebar.

Moreover, the Company concerned about the adjustment of productivity allocation to suit the situation for maximum benefit of the Company Groups such as market and industry conditions, including effective use of the machinery.

Shareholding Structure



NATURE OF BUSINESS

Products

Rebars

The products consist of the round bars and deformed bars whose size of diameter are 6-25 mm. and 10-40 mm., respectively. The round bars are produced in accordance with Thai Industrial Standards Institute (TISI) No. 20-2543, grade quality: SR 24 and deformed bars are produced in accordance with Thai Industrial Standards Institute (TISI) No. 24-2536, grade quality: SD 30, SD 40 and SD 50. Deformed bars are served for various purposes for construction industry mostly for reinforcement of concrete such as road, bridge, footing, building, house and general use for construction industry, etc.

Low Carbon Wire Rods ("LCWR")

LCWR is of grade quality : SWRM 6-22, SWRY11 and SWRCH6A-22A. The size of diameter is 5.5-16 mm. and it is produced in accordance with Thai Industrial Standards Institute (TISI) No. 348-2540, JIS G3503 (1980) and JIS G3507 (1991). They are used as raw materials for construction parts such as binding wire, nails, wire mesh, galvanized wire, barbed wire, welding wire, cold draw wire, screw and nuts, etc.

High Carbon Wire Rods ("HCWR")

HCWR is of grade quality : SWRH 27-82BE. The size of diameter is 5.5-16 mm. and it is produced in accordance with Thai Industrial Standards Institute (TISI) No. 349-2532. They are used as raw materials for manufacturer of pre-stressed concrete wires and strands (PC wires and PC strands), compression spring, extension spring, torsion spring, sling etc.

Small Sections

Small sections have various forms such as angles or channels. They are produced in accordance with Thai Industrial Standards Institute (TISI) No. 1227-2537, grade quality : SM400-570 and SS400-540. They are served for the various uses of construction industry i.e. roof structures, electricity poles and billboards etc.

Production capacity

	NTS	SISC	SCSC	Total
Capacity (tons per annum)				
❑ Rebars	400,000	-	500,000	900,000
❑ Wire rods	400,000	230,000	-	630,000
❑ Small Sections	-	170,000	-	170,000
Total capacity	**800,000**	**400,000**	**500,000**	**1,700,000**

Source : Tata Steel (Thailand) Plc.
With the total Finished goods production of 1,206,034 Tons, the production capacity utilization for the period ending on March 31, 2011 stood at 70.94%.

Aligned with the Tata Steel Group procurement strategic policies - The Company has set the raw material procurement strategies and policy for its subsidiaries to generate highest value and efficiency in terms of pricing, quality, supply lead times and on time delivery. The Company has a strategy to de-risk and improve its procurement supply chain by engaging with multiple suppliers (locally and globally) and building a strong long term partnership. The details of major raw material sources categorized by type of raw material are given below :

❑ Scrap

The strategic policy is to maximize local procurement from key partners. The scrap purchased from local key partners and other local suppliers accounted for 65%-70% of total quantity procured. The balance quantity 30-35% was imported through strategic global and local partners to ensure consistency of quality and on time delivery.

- **Graphite Electrode, Ferro Alloys and Refractorie** mostly imported with direct procurement from a number of well known importers.

- **Natural gas and fuel** 100% local procurement from well established suppliers.

Market Situation and Competition

Domestic markets

Rebars

Utilization of the three distribution channels from its three subsidiaries:

- Contractors and Developers undertaking vast projects from government or private sectors.

- Stockists with considerable volume consumptions before reaching end-consumer hands.

- Retailers which are located over the region except Bangkok Metropolitan Region.

The company has positioned itself very well in the rebar market by strengthening its distribution network in Thailand which helps to improve the capability of the distribution network and also create brand awareness for the companies rebar with end customer.

High Carbon Wire Rods : HCWR

Given the fact that the Company is the only major player with the Billet production for the manufacturing of HCWR, therefore, the Company can undoubtedly maintain its policy of selling an exceptional high quality HCWR to its existing clients. Furthermore, the Company has aimed to broaden its customer base, extend quality assurance offers, provide technical services to its clients, offer an on-time delivery, as well as seek to present clients with a variety of products to fit the needs of different type of end consumers. The company also exported these high quality wire rods to markets in Vietnam, Indonesia and S. Korea.

Low Carbon Wire Rods : LCWR

The company maintained its leadership position in LCWR by having close to 53% market share. Also, being able to produce hard grades like M15, M12 and soft quality grades like M6 and M8 gives the company the advantage of suppliers the full range of product to customers in the domestic market.

Small Sections

The existing distribution channel for this type of product is through the Stockists which in turns re-distributes to the construction contractors, fabricators and government agencies.

With increased competition faced within this product category, the company relentlessly aims to enhance its quality corresponding to the increasing demands from fabricators and government agencies and provide enhanced services levels.

International Market

The company strategically focuses on neighboring countries of Laos, Myanmar and Cambodia to export its rebar products through a well established distribution network. It focuses on ASEAN markets of Vietnam, Indonesia and Philippines to export value added wire rods like MCWR and Y11. The company aims to export 5-10% of its production on a sustained basis to these markets.

Customer characteristics and target customers of long steel product industry

The company follows the following segmentation for its products

1. Rebar

- **Individual house builder/small contractor :** This segment is catered through the retail shops and basically is the retail buyers who are very brand and quality conscious.
- **Medium/ Large contractor :** This segment of market is price conscious and wants good service delivery since they're concerned about the cost of their project. The company caters to this segment through the TSTH stockist network.
- **Direct project :** The company also deals with some big contractors directly. These customers also are concerned about quality and price along with prompt delivery service.

2. Wire Rods

- **LCWR :** These are the commodity wire rods which the company supplies to end users for making products like GI wire, nails, fences, mesh etc.
- **SPWR :** These are special wire rods like HCWR, MCWR, Y11 and CHQ which again the company supplies to wire drawers who make products like PC wire, PC strand, electrode fasteners etc.

INDUSTRY OUTLOOK AND COMPETITION

Competition within the industry

The industry of steel producer in Thailand can be categorized by types of products i.e. Long Product and Flat Product. The long product is deemed to be more fragmented in which the Company which is holding Company invests in its subsidiaries including NTS, SISC and SCSC are grouped as the long product producer.

The long product producers comprise of medium and small enterprises, most of which are regarded as family-run business. The plants whose production capacity is more than 200,000 tons per annum are consisted of approximately 15 numbers, thereby generating excess supply to outstrip the local demand. The excess supply is also due to pressure of many smaller units in the market.

Competitors

The Company's competitors can be divided into two types including the producers with and without Electrical arc furnace (EAF). Those who own EAF procure the scrap both domestically and internationally as its production raw material to produce semi-finished product comprising billets and produce finished products i.e. rebars, wire rods, small sections and special bars, in which the Company possesses in the category. Those who don't possess EAF are required to procure or import all semi-finished products including billets from other steel producers to manufacture finished products.

In terms of overall production capacity of the long steel industry, it is reckoned that the supply has far outstripped local demand, mainly due to the fact that the number of rebar producers is much more than wire rod producers, thus making competition in rebar industry higher than that in wire rod industry.

With respect to the wire rod products, Thailand has been dependent on imported wire rods from foreign countries, most of which are regarded as high quality wire rods. Nonetheless, after high fluctuation of raw material and steel price in 2008, Manufacturers in wire business have bought from local wire rods manufacturer instead of imported wire rods in big volume. Moreover, Tata Steel (Thailand) focus on building customer relationship and deliver good service to customers. Thus, the Company and its subsidiaries have gained an opportunity to enlarge its target customers. These factors resulted in the Company to gain more market share.

For the overall imported wire rods, most imported products are high-grade wire rods whose country of origin are from China, Japan, South Korea and Taiwan.

Long Steel Product Industry overview for the year 2010-2011

Thailand GDP grew by 7.8% in 2010 driven primarily by high exports and revival in private domestic consumption and investment. The long product growth was 11.4% which was mainly due to high automotive growth. Construction, however, grew by 9.4% due to some political instability in the beginning of the year and unprecedented floods in October/November in Thailand. Most of the growth in construction was contributed by private investment for both residential and commercial construction.

High end wire rods continued to be imported into Thailand from Malaysia, Japan, Taiwan and S. Korea and boron added wire rod from China also made inroads into the Thailand market.

The annual average selling price of all products was Baht 20,600 per ton. Compared with Baht 18,600 per ton in 2009-2010, which represented an increase of Baht 2,000 per ton or an 11% increase.

Industry trend for the year 2011-2012

The Thai economy is forecasted to grow at 3.5-4.5% in 2011. This growth will be primarily driven by private domestic spending as well as exports. The downside would be likely inflation due to rising oil prices.

The construction industry is expected to grow by 13% and the government has planned to invest in mega projects like Green Line, Blue Line, BTS Extension and Road Upgrades nationwide. Construction demand is also expected to grow due to new condominiums, home offices and hotels in main tourist cities of Thailand.

On the supply side, prices of raw material like iron ore, coke and scrap are expected to be firm globally and this will impact cost of steel producers in Thailand.

Previous significant profile and developments are as follows :

	Detail	
2002	❑ The Company was established as a Public Company Limited named "Millennium Steel Public Company Limited" (MS).	July 12
	❑ Successfully merged the Company business among NTS, SISC and SCSC, last two of which were subsidiaries of Cementhai Holding Company Limited (CHC).	November 29
	❑ The Stock Exchange of Thailand (SET) approved the Company securities as listing securities and started trading under the sector of "REHABCO" (Rehabilitation Plan).	December 18
2004	❑ The SET authorized the Company securities to resume trading at the sector of "CONMAT" (Construction and Furnishing Material).	May 18
2005	❑ CHC agreed to sell all MS shares pursuant to the Blinding Offer of Tata Steel.	December 15
2006	❑ Tata Steel Groups submitted their voluntary tender offer to all Company's shareholders.	February 24
	❑ The Company major shareholders changed from "CHC" to "Tata Steel Group".	April4
	❑ The Company name changed from "Millennium Steel Public Company Limited" to "Tata Steel (Thailand) Public Company Limited".	December 14
	❑ The SET announced the change in stock symbol trading from "MS" to "TSTH".	December 19
2007	❑ The Company paid the annual dividend payment for the year 2006 to all preferred shareholders and ordinary shareholders at the rate of Baht 0.03 per share (38% of its net profit).	May 15
2008	❑ The Company paid the annual dividend payment for the year 2007-2008 to all preferred shareholders and ordinary shareholders at the rate of Baht 0.076 per share (20% of its net profit).	August 20
2009	❑ The Mini Blast Furnace which is steel production project using iron ore as raw material was completed. This project is considered the first of its kind in Thailand and Southeast Asia.	
2011	❑ The SET announced to regroup the Company securities to be under the sector of "STEEL"	January 4

Management Standard System

TSTH's subsidiaries consisting of SISC, SCSC and NTS determine to reinforce the management to be international standard. SISC and SCSC are certified with ISO 9001 : 2008 and NTS is certified with ISO 9001 : 2000 (International standard in Quality Management Systems). In addition, the Company realizes the importance of the environment control and competence of the laboratory. SCSC is certified with ISO14001 : 2004 (International standard for the environmental control) and NTS is certified with ISO/IEC 17025 : 2005 (General requirements for the competence of testing and calibration laboratories). The Company also realizes the importance in the safety control for working environment to be in sanitary system for the employees. SISC and SCSC are certified by TIS 18001 : 2542 & OHSAS18001 : 2007 (International standard of Occupational Health and Safety Management Systems).

RISK FACTORS

Risk Management

Over the years, the Company encountering several risks and concerns in its business processes, has adopted a Risk Governance structure, a forward looking approach which assists in countering and mitigating these risks, simultaneously pursuing their underlying opportunities. A risk portfolio matrix is developed consisting of all known business risks, followed with detailed analysis of business environment, market condition and organisational capabilities. All attributes along with key learning in various functions is collated, undergoes a series of deliberation during risk committee meetings, validated through appropriate adequacy checks, and a mitigation strategy is evolved. The prioritization process followed with functional implementation of specific assignment, ensures effectiveness of the overall objective.

1. Market Risks

The Thai steel industry is most vulnerable to the cyclical swing in market demand and price volatility. This has emerged as key differentiating factor for the overall business. While economic forecasts generally tend to show favorable trends of growth, the overall capacity in commodity segment has raised many concerns in recent past. Tata Steel Thailand has proactively taken the concrete steps to mitigate the risks associated with it.

The product mix enrichment plan has been drafted in line with the respective growth in various segments, and the market share in special wire rods is being enhanced continuously. The new product development plan is well supported by the robust R&D, and technical expertise and advisory received from the parent company, a substantial global player in the segment. The organization also possesses a strategic advantage in the form of mini blast furnace which supports an enriched product mix. The company has launched a Retail Value Management program to give specific benefits to the retailers, thereby enabling building of long term relationships.

2. Risk of raw material supply

The company faces a very high risk of adequate scrap availability in the region. With EAF capacity enhancement by other steel mills in Thailand, the rate of growth in demand for scrap has outstripped the rate of growth in domestic scrap availability. The company strives to contain its market share by creation of competitive advantage in the available scrap pool. A proposal is under consideration to improve the overall infrastructure in the supply chain in order to gain a long term position in the scrap market. The synergy opportunities in the form of joint procurement plan within the group companies, is being explored which will give certain bargaining positions in scrap sourcing.

3. Risks associated with MBF

Mini blast furnace project at NTS was put up to leverage the product enrichment plan thereby attain a superior product portfolio. The prevailing high prices of coke and iron ore in global markets have restricted attainment of economies of MBF operations, which requires a 12 to 24 months period to attain optimal levels of efficiency and scale. Company has implemented an optimum hot metal usage plan, which balances the risks of surplus pig iron generation. Yield improvement initiatives though increased sinter usage thereby minimizing adverse effects of high coke rate, has been put in place. A plan to debottleneck EAF operation to support faster and smoother evacuation of hot metal from MBF, is under consideration.

4. Health, safety and Environment risks

The steel making operation has inherent safety and environment hazards. The company had considered prevailing safety features in the design stage of project planning. In current year a new safety organization structure has been put in place, to drive process safety and behavioral safety throughout the organisation. A 3-phase safety implementation plan is being executed to ensure a safe working environment for employees, including contract employees.

With the stringent environment and health impact regulations coming into effect this year, and the manufacturing process falling within the Serious Impact Project listing, the Company faces a risk of government restriction of environmental clearance. The Company has commenced new initiatives to ensure full compliance of all EHIA requirements within prescribed time limits.

5. Human resource risks

The company faces serious risks associated with high attrition rate, particularly in operating grade employees at its 3 out-location plant sites, where it needs to compete with other industries from a limited pool of skilled workers. As a measure to extend employee intimacy, the Company has introduced a "career development plan" and conducts functional and job oriented training schemes thereby improving competency levels of employees. The factors affecting employee satisfaction and employee engagement are being addressed through various mechanisms under HR annual plan. Critical functions like "new product development" and "quality assurance" are being supported by in-house expertise within the group. A long term sustainability initiative using new KM system is being launched to broad base individual and organizational learning.

6. Risk of Foreign exchange volatile

The volatility in foreign exchange triggers risk to the company's overall business model, in view of increased "buy base" from international markets. The risk of Fx volatility is being addressed through a Hedging mechanism in line with a structured hedging strategy, monitored by the Regional Treasury Committee, with a formal reporting mechanism to the Board.

7. Risks associated with the flood and natural calamity

The company being located in different geographies, faces risks of business continuity arising from floods and natural calamities. The company addresses these through emergency handling procedures at all its facilities, and a structured periodical "mock drills" ensures effectiveness of such procedures. Disruption to business operation is effectively addressed by flexible supply chain management and switching operation amongst the three production units.

Shareholders

Top ten major shareholders of the Company at last book closing date on June 1, 2010

No.	Name	Amount of shares			Percentage of total shares
		Ordinary	Preferred	Total	
1	TATA STEEL GLOBAL HOLDINGS PTE. LTD.	5,718,472,083	0	5,718,472,083	67.90
2	MR. VEERAPHAN THEEPSUWAN	316,349,800	0	316,349,800	3.76
3	BANGKOK BANK PLC.	43,277,571	252,773,225	296,050,796	3.52
4	THAI NVDR CO., LTD.	134,752,233	0	134,752,233	1.60
5	SOCIAL SECURITY OFFICE (2 CASES)	86,699,600	0	86,699,600	1.03
6	AMERICAN INTERNATION ASSURANCE COMPANY, LIMITED-APEX	76,000,000	0	76,000,000	0.90
7	J.P. MORGAN MARKETS LIMITED-CUSTOMER REG. ACCOUNT	72,620,908	0	72,620,908	0.86
8	KASIKORN BANK PLC.	52,302,017	0	52,302,017	0.62
9	SOMERS (U.K) LIMITED	40,619,900	0	40,619,900	0.48
10	GERLACH & CO-DIMENSIONAL EMERGING MARKETS VALUE FUND	34,371,400	0	34,371,400	0.41
	Total	6,575,465,512	252,773,225	6,828,238,737	81.08
11	Other Shareholders	1,593,302,111	0	1,593,302,111	18.92
	Grand Total	8,168,767,623	252,773,225	8,421,540,848	100.00

Remarks :

- A subsidiary that is instituted by SET, for issue a trading instrument called "Non-Voting Depository Receipt (NVDR)". The main purpose of NVDRs is to stimulate trading activities in the Thai stock market. Investors are able to receive all financial benefits as those who invest directly in a company's ordinary shares without the restriction of foreign limited. However there is no any restriction of foreign limited on TSTH shares.
- As at June 1, 2010 , TSTH has 9,199 of Non-Strategic Shareholders (Free Float), is equivalent to 2,477,680,269 of ordinary shares, calculated from the total ordinary shares of 8,168,767,623 or 29.96% .

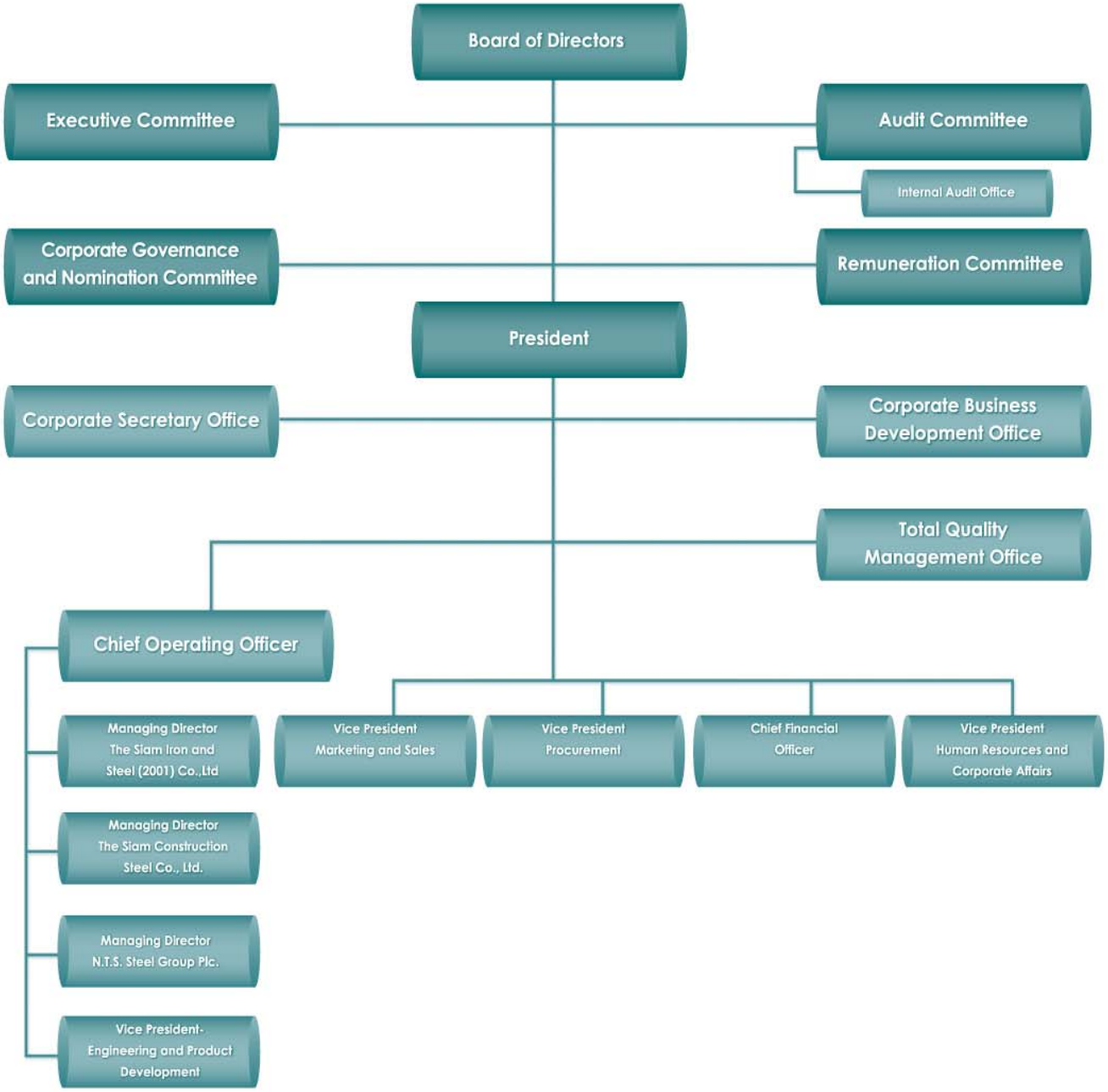
Dividend payment policies of the Company and its subsidiaries

The Company has the policy for the dividend payment to the shareholders at the rate of not exceeding 40% of net profit after tax (after deduction of legal reserve) of consolidated financial statements by considering the relevant factors which shall not cause significant effects to the Company's business operation. Such factors are such as the operation performance, financial status, the Company's solvency, the business expansion, the obligations to complete the debts service according to the Company's restructuring loan agreements as well as other loan agreements including any other factors relevant to the business operation of the Company. The consideration shall be consistent with the concept of maximizing long- term benefit for the shareholders but it shall also be subject to the approval from the Board of Directors and/or the Shareholders' meeting.

Dividend Policy of subsidiaries takes into account of each subsidiary's operating results; that is, a dividend will be declared when the subsidiaries are able to general an adequate amount of the net profit and no retained deficits are reported. In addition, the subsidiaries refer to major factors mentioned earlier in consideration of a dividend payment.

Organization of the Company

As at 31 March 2011, the Company's management structure consists of the Board of Directors and Committees, which are the Audit Committee, Executive Committee, Corporate Governance and Nomination Committee, Remuneration Committee and Managements.



The Structure of the Board of Directors

The Company's Article of Association specifies that The Board of Directors consists of not less than 5 and not more than 14 Directors. Currently, there are 9 Directors with 3 Independent Directors, one-third of the Directors. The Company's Directors are people with various academic backgrounds like business administration, marketing, production, finance and accounting and vast experiences beneficial to Company's business. Furthermore, all Thai Directors have attended various trainings and seminars in topics related to the functionality of Director organized by the Thai Institute of Directors Association (IOD).

The Board of Directors
Names and Positions of Executives or Controlling Persons as at 31 March 2011

No.	Name	Positions
1.	Mr. Hemant Madhusudan Nerurkar	Chairman
2.	Mr. Kriang Kiatfuengfoo	Independent Director
3.	Mr. Maris Samaram	Independent Director
4.	Asst. Prof. Rawewan Peyayopanakul	Independent Director
5.	Mr. Koushik Chatterjee	Director
6.	Mr. Hridayeshwar Jha	Director
7.	Mr. Thachat Viswanath Narendran	Director
8.	Mr. Taratorn Premsoontorn	Director
9.	Mr. Laptawee Senavonge	President

Authorized Directors and binding signatory procedures

Mr. Koushik Chatterjee, Chairman of the Executive Committee and Mr. Laptawee Senavonge, the President jointly sign to bind the Company with the Company's seal affixed, or Mr. Koushik Chatterjee, Chairman of the Executive Committee or Mr. Laptawee Senavonge, the President jointly sign with either Mr. Hemant Madhusudan Nerurkar or Mr. Hridayeshwar Jha or Mr. Taratorn Premsoontorn together with the Company's seal affixed.

Scope of authority

The Board of Directors has the duty and authority to manage the Company in compliant with the objectives, Articles of Association and resolutions of the shareholder's meeting. However, the Board may not approve or decide on the following issues unless acknowledged by the majority of the attending Directors in the meeting of the Company and / or Subsidiaries.

1. Any loans exceeding Baht 50 millions and not in the Group's annual budget.

2. Granting loans, collaterals, indemnifications, guarantees, letters of support or commitments to any persons and not in the Group's annual budget unless allowed in the contracts of the financial restructuring agreement or business rehabilitation plan of NTS.

3. Any investments exceeding Baht 50 millions and not in the Group's annual budget.

4. Sales, transfers, rent out or permissions related to any properties or assets with the book value exceeding Baht 50 millions and not in the group's annual budget.

5. Approvals or amendments of the Group's annual budget.

6. Any transactions with connected parties not regarding as normal business operation.

7. Changing of the accounting policy, approval of the annual consolidated financial statements, annual individual financial statements and quarterly group financial statements.

8. Changes related to the Group's business operation or termination of any business operation

The Board of Directors may appoint any persons to manage the Company's operation under supervision of the Board of Directors or may authorize such persons with the authorities the Board of Directors deem appropriate for a certain period of time. The Board of Directors may revoke, alter or amend such authorization. The Board of Directors may delegate to the Executive Committee (Executive Directors) or the President the authority to perform various functions. Approvals of any business operation must comply with the authority limit specified by the Board of Directors. Such delegation of authority shall not be in a way to allow the Executive Committee (Executive Directors) or the President to be able to approve transactions that they or other persons may dispute, have interest in or have conflict of interest with the Company and its subsidiaries, in accordance with the Company's Articles of Association and SEC's announcement. Exclusion is made to approval of transactions in compliant with the Board of Directors' pre-approved policies and criteria in the normal course of business operation such as procurement of raw materials and connected transactions with related companies.

Audit Committee

No.	Name	Positions
1.	Mr. Kriang Kiatfuengfoo	Chairman of Audit Committee
2.	Mr. Maris Samaram	Member of Audit Committee
3.	Asst. Prof. Rawewan Peyayopanakul	Member of Audit Committee

Scope of authority

(Amended and added the scope of authority as per resolution of the Board of Directors' meeting No. 3/(2/2008-2009 on July 21, 2008)

1. Supervise and review to ensure that the Company has a financial reporting system that complies with the accounting standard as specified by the laws with transparency, accuracy and adequacy.

2. Encouraging the development of a financial reporting system to meet with international accounting standards.

3. Review the Company's internal control and internal audit system for appropriateness and effectiveness.

4. Review the Company's risk management system.

5. Review the Company's compliancy with laws on securities and securities exchange and other laws and regulations related to Company's business.

6. Review internal control system, plans and audit procedures including auditing evaluation of the Company's various operations, in accordance with generally accepted principles and standards.

7. Disclosure of the Company's information in case of connected transaction or transaction that may induce conflict of interest for accuracy and completeness in compliant with the Securities Exchange's regulations. This is to ensure that those transactions are reasonable and to the best interest of the Company.

8. Review and provide recommendations on Internal Audit Office's performance and coordinate with the auditors.

9. Prepare report on business supervision of the Audit Committee and published in the Company's annual report. Such report must be signed off by Chairman of the Audit Committee and must contain at least the following information

- Opinion on accuracy, completeness and credibility of the Company's financial reports.
- Opinion on adequacy of the Company's internal control system.
- Opinion on compliancy with the Securities and Exchange laws, Securities exchange regulations and other laws related to Company's business.
- Opinion on appropriateness of the auditor.
- Opinion on transactions that may induce conflict of interest.
- Number of the Audit Committee meetings and attendances of each Committee member.
- Opinion or overall remark perceived by the Audit Committee upon carrying out their duty according to the Charter.
- Other transactions that should be noted by shareholders and general investors, under the scope of duties and responsibilities delegated to by the Board of Directors.

10. Consider, select, nominate and propose remuneration for Company's auditor. Attend meeting with the auditor, in the absence of the Management, at least once a year.

11. Appoint, revoke, transfer or terminate the Director of the Internal Audit Office (if any) or employ or change the employment of other Internal Audit Offices.

12. Consider budget and manpower of the Internal Audit Office (if any) or employment budget of other Internal Audit Offices.

13. Other functions as specified by laws or as delegated to by the Board of Directors.

The Executive Committee (Executive Directors)

No.	Name	Positions
1.	Mr. Koushik Chatterjee	Chairman of Executive Committee
2.	Mr. Hridayeshwar Jha	Member of Executive Committee
3.	Mr. Thachat Viswanath Narendran	Member of Executive Committee
4.	Mr. Laptawee Senavonge	President

Scope of authority

1. Define policies, strategies, management structure and authority to correspond with and support the economic situation for approval by the Board of Directors.

2. Consider and comment on the business plan and annual budget allocation proposed by the management to the Board of Directors for approval.

3. Supervise, oversee and monitor on the Company's operation to ensure its efficiency and appropriateness with the business situation for the benefit of the Company's operation to accomplish the objectives according to the policies and business plan prescribed by the Board of Directors.

4. Other functions as occasionally designated by the Board of Directors.

The Executive Committee (Executive Directors) may authorize any Executives with the authority to perform a specific function or functions deemed appropriate by the Executive Committee (Executive Direcotrs).

The Corporate Governance and Nomination Committee

No.	Name	Positions
1.	Mr. Koushik Chatterjee	Chairman of Corporate Governance and Nomination Committee
2.	Mr. Maris Samaram	Member of Corporate Governance and Nomination Committee
3.	Asst. Prof. Rawewan Peyayopanakul	Member of Corporate Governance and Nomination Committee

Scope of authority

1. Define and review corporate governance guidelines of the Company and its subsidiaries for approval by the Board of Directors.

2. Supervise and oversee the functioning of the Board of Directors and Management to be in compliant with the prescribed corporate governance guidelines.

3. Define procedures, criteria and select an appropriate applicant for nomination as a Director in replacement of the retiring Director or in other cases. The incoming Director must be approved by the Board of Directors and the resolution of shareholders' meeting.

4. Recruit an appropriate applicant for nomination as the President and propose to the Board of Directors for approval.

5. Facilitate overall performance evaluation of the entire Board of Directors and propose the evaluation results to the Board of Directors for future enhancement of the supervisory function.

6. Other functions as designated by the Board of Directors.

The Remuneration Committee

No.	Name	Positions
1.	Mr. Koushik Chatterjee	Chairman of Remuneration Committee
2.	Asst. Prof. Rawewan Peyayopanakul	Member of Remuneration Committee
3.	Mr. Taratorn Premsoontorn	Member of Remuneration Committee
4.	Mr. Hridayeshwar Jha	Member of Remuneration Committee

Scope of authority

1. Define remuneration for the Board of Directors and other board appointed Committees and propose to the Board of Directors and shareholders' meeting for approval.

2. Define remuneration for the President and Executives of the Company and its subsidiaries and propose to the Board of Directors for approval.

3. Define guidelines, procedures and determination of such remuneration to correspond with the Company's operating result with regard to the various factors and other companies in the industry.

4. Determine budget for salary increases, bonuses and compensation for employees of the Company and its subsidiaries and propose to the Board of Directors.

5. Other functions as designated by the Board of Directors.

The Management

No.	Name	Positions
1.	Mr. Laptawee Senavonge	President
2.	Mr. Amit Ghosh	Chief Financial Officer TSTH
3.	Mr. Theerayuth Lertsirarungsun	Vice President - Engineering and Product development
4.	Mr. Aditya Roy Choudhury	Vice President - Procurement
5.	Mr. Sunil Seth	Vice President - Marketing & Sales
6.	Mr. Sirorote Matemanosak	Vice President - Human Resources & Corporate Affairs
7.	Mr. Thana Ruangsilasingha	Managing Director - NTS
8.	Mr. Wisoot Anupunthumetha	Managing Director - SISC
9.	Mr. Parin Teerakathiti	Managing Director - SCSC

Scope of authority

1. Supervise, oversee and manage the normal business operation for the benefit of the Company with regards to the objectives, Articles of Association along with the regulations, resolutions, policies, plans and allocated and approved budget by the Board of Directors within related legal framework and scope of authority prescribed by the Board of Directors.

2. Prepare annual business plan and budget in accordance with the Board of Directors' policies and present to the Executive Committee (Executive Directors) and the Board of Directors.

3. Scrutinize information and facts on issues related to business operation before presenting to the Executive Committee (Executive Directors) and the Board of Directors.

4. Has the authority to approve normal business transactions such as raw materials procurement, operating expenses, sales and administrative expenses and investment expenses within the authority limits defined by the Board of Directors.

5. Other functions as occasionally designated by the Board of Directors.

Human resources

Recruitment of personnel

The Company recruits qualified applicants with ability to adjust themselves to new environment. Human resources development is the Company's key policy. The Company provides career path advancement, work safety, challenging assignments, and appropriate and fair pay to employees. This is done under the supervision of the Human Resources Committee and managers.

Number of employees

The number of employees of the Company and its subsidiaries as at 31 March 2011 were 1,592 persons.

Unit : Person

TSTH	NTS	SISC	SCSC	Total
230	713	306	343	1,592

During 2010 – 2011, the Company has hired 35 staff more than during the year 2009 – 2010 to cope with business growth. Moreover, during the past 3 years, the Company has never received any serious complaints or any significant labor disputes.

Total remuneration and types of remuneration

Remunerations that the Company and its subsidiaries offered to the employees in 2010 – 2011 were salary, bonus and provident fund which totaled to 498.32 millions Baht.

Additionally, the Company and its subsidiaries have also granted other welfare benefits to employees. Staff welfare and benefits have been consistently reviewed and revised according to staff requirements, for instance, medical expenses, upcountry allowance, staff uniform, master degree scholarship and etc.

However, the Company has no policy to offer employees with the Employee Stock Option Program (ESOP) or Employee Joint Investment Program (EJIP) but has managed employees' remuneration in other forms based on their performance assessment, roles and responsibilities and potential.

Human Resources Development policies

The Company regards the "Employee" as the most valuable asset contributing towards the business competitive advantage. Therefore, the policy has been set to consistently develop employees at all levels and professions in correspondence with their career advancement. The framework for training will be focus on 3 main areas, as follows:

1. Core knowledge development required for all staff in all functions. It is considered key foundation for staff development into knowledgeable, capable and ethical resources of the organization. Topics of basic knowledge also include Productivity Improvement and Development, Safety, Health and Environment Development, Tata Values, Tata Code of Conduct and Corporate Culture Development.

2. Functional Development or Technical Knowledge Development.

3. Business Acumen, Leadership and General Development of which will be correspond to staff's career path.

For the purpose of human resources development, the Company has prepared Job Description to outline roles and responsibilities of each job. Competency Profile outlining essential knowledge, skills and qualifications for employee in each job was also prepared. This includes both Functional Competency and Management Competency, covering knowledge, skills and essential behaviors. They will be used as standard for performance evaluation and staff development on core competency in line with the Company's expectation. Moreover, various committees on productivity, safety and environment were set up to define guidelines as well as development programs to raise staff knowledge and understanding issues related to each function. The organizational culture or the FIRST Culture (**F**lexibility, **I**nnovation, **R**esult Driven, **S**ervices and **S**peed, **T**eamwork) was also established to guide working behavioral change for employees at all levels in compliance with the Company's current and future business operation.

HUMAN RESOURCES AND DEVELOPMENTS

Employees' development starts from defining requirements for development by assessing knowledge, skills and core competency of an employee in each position and then comparing to the level of company's expectation. Staff who receive performance appraisal lower than the Company expectation will be on a list for preparing annual staff development plan. The HR and relevant managers will jointly define appropriate development programs, for instance, On-the-job Training, In-house Training, External Training, Job Rotation, Special Assignment, including provide chance for staff to share lesson learnt or transfer their knowledge to other staff as appropriate.

The Company gives high priority on maintain systematic Knowledge Management from overall internal knowledge base. It also encourages Best Practice Sharing among employees of the Company and its subsidiaries, including promoting Self Learning by providing all kinds of learning materials for continuous staff development and further applying to their areas of responsibility.

Employees' work safety

The Company realizes that the "safety and occupational health" is the most essential aspect of work and daily life of all staff. It is the duty and responsibility of all staff to strictly comply with this concept at all time.

The Company aims to prevent and control losses related to safety and occupational health by encouraging the implementation of the "Safety Excellence Journey" according to policies and standards of TATA Steel (India). Various committees and sub-committees, consisting of senior management team members, will closely monitor and follow up the improvement of safety working conditions and environment. This includes campaigning and promoting activities that raise staff's awareness on safety, i.e., training, motivation, public relation and targeting accident-free for working place safety campaigns, etc. Additionally, the Company has prepared working place safety standards for each step of operation, and provided sufficient and adequate personal protection equipment. Annual employee medical check-up has been provided for both work related and non-work related illnesses.

The Company regards supervisors at all levels to be a good role model, leader, trainer, coach and motivator for employee workplace safety compliance. All employees must be aware of their own safety and their colleagues' at all times.

In order to manage the safety and occupational health procedures efficiently, the Company has allowed employees at all levels to participate in safety improvement on working condition and procedures as well as the quality of life improvement by establishing the "Occupational Safety, Health and Working Environment Committee" as required by the relevant law. The committee is the important mechanism for the management and employees to jointly define policies, target, action plans and measures on safety, occupational health and working environment in each area appropriately. Besides, the Company also hired the safety officer to be in compliance with the law and to efficiently supervise the safety and occupational health measures.

For the year 2010 – 2011, the Company and its subsidiaries have continuously conducted safety and occupational health activities, for instance, reviewing safety policies, procedures and relevant standards, reviewing and setting up safety committees and sub-committees in various areas, weekly safety inspection, safety week exhibition, training on working in confined spaces, training on fire fighting, fire drill and evacuation, safety auditor training, campaigns on safety, cleanliness and tidiness in working place and surrounding areas for better working environment. The Company also conducted trainings of safety rules and regulations for employees of hired contractors working in the Company because the Company always realizes that every one working within the Company and its subsidiaries must perform their work safely with good working environment as same as the Company's employees.

The Occupational Safety, Health and Working Environment Committee of the Company and its subsidiaries has conducted regular meetings, prepared

action plans and followed up on activities such as setting up safety news and information corner, promoted and announced of the safety culture, disseminated both work and non-work related information by posting on the Company's announcement board and intranet website, prepared guidelines on safe working procedures, prepared reports on accidents, investigations, analysis and prevention measures. The main objective was to prevent accident within the Company.

Besides, contractors who have their employees working in the Company were invited to attend meetings of the Occupational Safety, Health and Working Environment Committee to confer, acknowledge and consider measures to facilitate working safe for all in every operation. This would promote better working environment in the Company.

Regarding hygienic issues, for the past year, the Company has encouraged all employees to take care of their own personal hygiene regularly. Activities include organizing campaigns during important festivals or any arising issues of interests, for instance, health care campaign on prevention of the influenza virus by providing face masks and disinfectant gel in the offices, campaigns on stop drinking alcohol during Buddhist lent and other festivals, campaigns on better nutrition and personal health care, inviting public health officers to inspect and advise on hygienic issues to shops and restaurants operators, and employees of contractors.

Employees' welfare and benefits

The Company has a policy to manage employee's welfare and benefits to be able to compare and compete with other companies. Welfare and benefits have to cover and response to all requirements of employees, beginning from employees starting to work with the Company, during sickness, and until their separation from the Company. All welfare and benefits have been compiled and screened from different sources, for instance, receiving suggestions from the Company's Welfare Committee which consists of elected employees' representatives. Management team or HR function would meet employees from all levels to answer queries and listen to suggestions on various issues such as working conditions, staff welfare and benefits, skills development, career path and etc. Importantly, the Company commits to its policy and guideline to conduct annual employee satisfaction survey in all aspects of employees at all level. The result of staff responses in each criterion will be used in defining the annual plan to improve the welfare, benefits and working environment. Information voiced from employees will be taken into account by the Human Resources Committee who will develop appropriate policy and notify to all employees using announcement board, intranet and also in the orientation materials.

Furthermore, the provident fund is established for employees by the Company, starting from their first day of working, any employee can choose to save at different rates depending on their length of services. The contribution rates of the Company will also increase according to employee's length of services as specified in relevant terms and conditions.





INTERNAL CONTROL

The Board of Directors remains committed to effectiveness of the internal control and audit systems of the Company. Enterprise Risk Management Approach is adopted as a tool for managing risks and internal controls. To strengthen the commitment, the Audit Committee has been established to supervise the financial reporting process of the Company and its subsidiaries in accordance with Generally Accepted and Accounting Principles and prevailing regulations, including requirements of the Stock Exchange of Thailand. Its responsibilities also involve reviewing the company performance in compliance with the Good Corporate Governance Principles, evaluating the risk management, maintaining suitable, effective, and well-recognized internal control and audit systems, selecting and nominating external auditors, and any other tasks as designated by the Board of Directors. Besides, the Audit Committee is entrusted to modify the control measures in response to changing circumstances, environment, and business risks.

The Company is aware of the importance of a solid and structured Corporate Governance. Therefore, Internal Audit Department ("IAD") has been established to fulfill an important assurance and consulting function. IAD is an independent function providing Management and the Audit Committee assurance on the adequacy and effectiveness of the Organization's internal controls and assisting in the continuous improvement of the system of internal controls.

The annual audit plan and five-year audit have been developed by using a risk oriented methodology and approved by the Audit Committee. The audit plan encompasses the assessment of effective controls within the operation, financial reporting, and compliance with the Company's policies and procedures, and prevailing laws and regulations. Significant aspects comprehended in the internal audits entailed improvements in efficiency and controls in the areas of procurement and payables process, sales, marketing and distribution, human resource management, inventory management, accounts and finance and SAP post implementation, etc.The execution of audits is implemented in accordance with the IA plan. Audit findings and Management action plans are summarized and reported on a quarterly basis directly to the Audit Committee, who will further deliberate the report and express opinions to the Board of Directors.

On May 3, 2011, a meeting of the Board of Directors of the Company No. 49 (1/2011-2012), which was attended by all members of the Audit Committee, the Board of Directors, after considering of the recommendation of the Audit Committee, has come up with the opinion for the internal control system in the year 2010-2011 of the Company in each area as the followings :

Organization and environment

The Company has an organizational structure and environment that promote operational efficiency and an adequate control system. In addition, there is a clear delineation of responsibilities for each department. This organizational format has also been shown to be suitable to the business plan, including the recruitment of quality personnel and the continual development program to respond to changes in business operations. The Company has established its operating guidelines for each section so as to ensure efficiency, internal control and ensuring a similar operating standard for all departments. The Company established clear business goals for 2010-2011, incorporating different factors such as economic condition, market condition and competition strategies.

Risk Management

The Risk Management Committee was reconstituted since 2008. The objective of the risk management program is to further develop including enterprise the risk management framework. With ERM (Enterprise Risk Management), the approach to risk management is to manage risk from an enterprise perspective, integrating concepts of strategic planning, operation management, and internal control. By identifying and proactively addressing risks and opportunities, business enterprises protect and create value for their stakeholders, including owners, employees, customers, regulators, and society overall.

Operational Control of Management

The Company has established policies and procedures that are appropriate to the efficient operations of the business. These include the determination of clear scope, responsibility and authority for each level of management, and monitoring of the operation of the Company and its subsidiaries on a regular basis. Appropriate internal controls are also evident in transactions concerning major shareholders, directors and management team or related parties.

Information Technology and Communication System

Information that are complete, accurate, relevant and important are submitted to the Board of Directors to facilitate their decision making process. Minutes of all Board meetings are thoroughly taken. Important and accounting documents are kept according to legal requirements and a storage system is available for such use. The Company also maintains a system of communication channels that are updated, on-time and easy to understand.

Monitoring System

Management meeting is held on a monthly basis to monitor the operating performance of the Company and comparison to the plan. It will be quarterly proposed to the Board of Directors meeting along with the Audit Committee meeting. Causes are analyzed and corrections and improvements made on a continuous basis.

CORPORATE GOVERNANCE

The Company is determined to continuously encourage and support principle of good corporate governance along with its business operation because it realizes that good corporate governance would leverage management system towards efficiency, transparency and accountability. This would affect the confidence of the shareholders, investors, stakeholders and all relevant parties which lead to a sustainable growth and increase value for the shareholders in the long run. Apart from conducting business with high standard of organization and personal behavior according to **"Tata Code of Conduct : TCOC"**, the company has followed the five categories of the principles of good corporate governance for listed companies issued by SET. This has been documented in the Company's "Good Corporate Governance Policy" since 2005. The principles were adapted for appropriate use in relation to Company's circumstances and have been reviewed and improved to make it up-to-date and correspond to the ever changing situation.

For 2010-2011, the company has implemented the principles of good corporate governance for listed companies as follows :

Category I : Shareholders' Rights

The Company respects and realizes the importance of shareholders' right by not violating or depriving the rights of shareholders as owners of the investment which finances Company's operation. The Company has encouraged shareholders to fully exercise their rights in preserving the Company's interest and to understand their basic rights such as purchase/sales or transfer of shares, profit/dividend participation, equal access share buy back, receiving of information or report, any other rights according to the law and to attend shareholders' meeting to consider and decide on important matters such as election of Directors and setting remuneration, profit allocation and dividend payment, appointment of auditor and setting fees, amendment of the Memorandum of Association and Articles of Association, increasing/decreasing of the registered capital and approval of significant transactions affecting Company's business operation.

Apart from encouraging exercising those basic rights, the Company has made it convenient for shareholders to attend shareholders' meeting by implementing mechanism for good meeting arrangement. The Company would provide information about the date, time, venue, meeting agenda, attending procedures, voting procedures and information on matters to be decided well in advance and would not in any way limit the opportunity to receive information or attend the meeting.

The Company also assigns the Corporate Secretary Office to treat and facilitate shareholders' rights exercise. Shareholders can contact the Corporate Secretary Office via telephone at 66 (2)-937-1000 ext. 1560, 1562-1563, 1565.

The Company arranges shareholders' meeting called Annual General Meeting within four months after the end of Company's financial year (within July every year).

The annual general meeting for 2010 was held on July 22, 2010 at 10.00 AM at the Four Seasons Hotel, Bangkok. The Company used the Record Date method where shareholding at May 31, 2010 would be eligible for attending the meeting and compile a list according to Section 225 of the Securities and Securities Exchange Act and close the book for transfer suspension on June 1, 2010.

The Company assigned the Thailand Securities Depository Co., Ltd. ("TSD"), the Company's securities registrar, to send the invitation letter, together with relevant documents in both Thai and English to the shareholders 21 days in advance of the meeting. The accompanying documents are

(1) Invitation letter for the Annual General Meeting in Thai and English with details of the date, time, venue, agenda of the meeting whether for acknowledgement, approval or for consideration, together with the objectives, rationale and recommendations of the Board of Directors for each proposed issue. The information is considered sufficient for decision making.

(2) Proxy forms as specified by the Ministry of Commerce, both simple Form A and the complicated Form B where shareholders can designate their voting decision whether it is "Agree". "Disagree" or "Abstained". Shareholders may vote for the election of individual Director during the related agenda.

(3) Information of the Independent Directors assigned by the Company as proxy for shareholders such as names, ages, addresses and relative interest in the matters proposed.

(4) Annual report with information in both Thai and English in CD Rom format (and in printed format to be sent to the desired shareholders).

(5) Clarification on the credentials supporting attending right.

(6) Company's Articles of Association in part related to shareholders' meeting.

(7) Map of the meeting venue.

Moreover, the Company has

(1) Advertised the meeting invitation announcement in Thai newspaper for 3 consecutive days at least 3 days in advance of the meeting date.

(2) Publish information of such shareholders' meeting in Company's website in advance of the meeting so that shareholders may gain access to the information conveniently and promptly and have sufficient time to study the information before receiving printed materials from Company.

(3) Allow all shareholders to submit their inquiries in advance by submission of written inquiries to the Board of Directors or Independent Directors through Corporate Secretary, during 3 months prior/after the end of Company's financial year, for proceeding to each Director or Independent Director. Inquiries related to the Company will be answered in the Annual General Meeting later.

The Company has informed shareholders of such schedule through SET news network (www.set.or.th). For 2010 Annual General Meeting of Shareholders, no shareholder has submitted advance inquiries to the Company.

Category II : Equitable Treatment of Shareholders

The Company realizes its duty to look after the interest of every shareholder, whether it is the major shareholders, institutional investors, foreign shareholders including minor shareholders by equitable treatments as follow :

Shareholders' meeting

The Company facilitates for the convenience of attending shareholders such as

(1) arrange a meeting venue that is conveniently accessible,

(2) prepare explanation about credentials to verify attending right,

(3) allow unavailable shareholders to grant proxy to a person as he/she wishes or assign a proxy to a nominated Independent Director with no any complicated method,

(4) prepare duty stamps to be affixed in the shareholders' proxy forms,

(5) prepare sufficient competent officers and equipments to handle credential verification and registration,

(6) computerize registration to facilitate convenience and promptness, and

(7) allow advance registration for two hours before the meeting starts.

Furthermore, after the meeting started, shareholders still can register to attend the meeting and have the right to vote the matter being considered or not yet passed the resolution.

The Board of Directors regards it as the duty and responsibility to attend the meeting. For 2010 Annual General Meeting of Shareholders, the Chairman of the Board of Directors and Chairman of the Committees which are the Chairman of the Audit Committee, the Chairman of the Corporate Governance and Nomination Committee, the Chairman of the Remuneration Committee

and all directors attended the meeting. Furthermore, all Executives, auditor including legal advisors have attended the meeting to explain and answer all inquiries.

In 2010, there were 420 shareholders attended the meeting in person and via proxy accounting for 6,555,479,738 shares or 77.84% of the paid up shares of 8,421,540,848.

Before the meeting The Corporate Secretary informs shareholders of the Articles of Association related to the meeting and meeting procedures such as voting procedures, vote counting procedures and announcement of the result.

During the meeting The presiding Chairman conducts the meeting transparently according to the announced agendas with no additional agenda for consideration. Appropriate and sufficient time would be allotted for consideration of each agenda before voting. Shareholders would be allowed to vote for election of individual Director and encouraged to provide comments, recommendations and ask questions freely.

Moreover, the Company allows shareholders who arrive after the commencement of the meeting to vote on the considering agenda not already resolved.

The Company uses voting ballots for convenience of shareholders and hires legal advisor to supervise vote counting for transparency according to law and Company's principles (Inspector). Vote counting would be done by computer and the same type of shareholder would have one vote per one share. Results of the vote for each agenda would be announced after the Other Matters agenda by slide projection. Moreover, the meeting would be recorded on a video tape.

After the meeting The Company announces the meeting resolution through SET news network (www.set.or.th) immediately after the meeting and prepares the meeting minutes within period specified by law. The minutes records details such as names and positions of the attended Directors, Executives including related persons, voting procedures and vote counting, questions and answers, comments and recommendations, meeting resolutions and voting result on each agenda, classified as agreement, disagreement and abstention.

Use of insider information

Besides the specified usage of insider information in the Company's "Code of Ethics", there are a policy and measure to prohibit the use of insider information for the benefit of Directors and Executives by educating them about the responsibility to report on the proportion of Company's shareholding and the change of such proportion as specified by the announcement of the SEC and Capital Market Supervisory Board (CMSB), guidelines of the SET, including penalty for violation. In case there was a change in the proportion of Company's shareholding, the Corporate Secretary will summarize, compile and propose to the Board of Directors Meeting for acknowledgement.

Moreover, the Company has implemented a concise internal control measure to supervise the use of insider information to comply with good corporate governance principles, and define a policy on prohibiting the use of insider information for personal gain (Abusive self-dealing) such as trading with insider information (Insider trading) of Directors, Executive and employees working in the unit with access to information of the Company and its subsidiaries (including spouse and underage children of such persons)

- Prohibit the above persons to trade Company's securities within 2 weeks prior to the disclosure of Company's quarterly financial statements and annual financial statements and within 24 hours after the disclosure of such financial statements to the SET (Blackout period).

- In case of other non-disclosed significant information which may have an affect on the price of Company's securities, the Board of Directors has prohibited trading of Company's securities until expiration of 24 hours after such information has been released to the public.

There has been no incident of the use of insider information for the benefit of securities trading by the Directors and Managements during the previous year.

As on March 31, 2011, report on the securities holding of Directors and Managements can be summarized as following :

No.	Name	Ordinary Shares (No. of Shares)					
		Tata Steel (Thailand) Plc.			Affiliated Companies		
		Reporter	Spouse or Minor child	increase (decrease) in fiscal year (April 1,10 - March 31,11)	Reporter	Spouse or Minor child	increase (decrease) in fiscal year (April 1, 10 - March 31,11)
	Board of Directors						
1	Mr. H. M. Nerurkar	-	-	-	1,326[a]	-	-
2	Mr. Kriang Kiatfuengfoo	-	-	-	-	-	-
3	Mr. Maris Samaram	-	-	-	-	-	-
4	Asst. Prof. Rawewan Peyayopanakul	22,000	-	-	-	-	-
5	Mr. Koushik Chatterjee	-	-	-	1,320[b]	-	-
6	Mr. H. Jha	-	-	-	2,363[a]	-	-
7	Mr. T. V. Narendran	-	-	-	1,017[a]	-	-
8	Mr. Taratorn Premsoontorn	-	-	-	-	-	-
9	Mr. Laptawee Senavonge	-	-	-	-	-	-
	Managements						
10	Mr. Amit Ghosh	-	-	-	-	-	-
11	Mr. Theerayuth Lertsirarungsun	-	-	-	-	-	-
12	Mr. Aditya Roy Choudhury	-	-	-	530[a]	100[a]	-
13	Mr. Sunil Seth	-	-	-	-	-	-
14	Mr. Sirorote Matemanosak	-	220,000	-	-	-	-
15	Mr. Wisoot Anupunthumetha	-	-	-	-	-	-
16	Mr. Thana Ruangsilasingha	50,000	-	-	-	-	-
17	Mr. Parin Teerakathiti	-	-	(200,000)	-	-	-

Remarks :

1. Tata Steel (Thailand) Plc. has 8,168,767,623 Ordinary shares, 252,773,225 Preferred shares, 1,083,275,200 units of Warrant 1 and 1,520,763,525 units of Warrant 2. The total Registered and Paid-up Capital are 11,025,579,573 Baht and 8,421,540,848 Baht, respectively.
2. As per the Public Limited Companies Act, "Affiliated Company" means a public company limited related to one or many of private company (ies) or public company (ies) limited with the following characteristics :
   - A company has the power to control the election and removal of directors who have power to manage the whole or majority of the other company.
   - One company holds the shares in the other company more than 50% of the issued shares.
3. "Management" means directors, managers or the first 4 persons in the management level next below the manager, all persons who hold positions equivalent to the fourth person in the management, and including persons who hold positions in management level in the lines of Accounting or Finance at the level of department manager up or equipvalent, according to the notification of SEC "Kor Jor 17/2551".
4. (a) Tata Steel Limited.
   (b) 320 shares allotted in the FPO of Tata Steel Limited.

Report on stakeholders

The Company has specified that its Directors, Executives and related persons must declare their own interest in the form defined by the Board of Directors. When there is any appointment to be the Directors or Executives or changes in the report, the Corporate Secretary had been assigned to compile and present to Chairman of the Board of Directors and Chairman of the Audit Committee for acknowledgement such reports. The Company would use such information to monitor and supervise transactions that may lead to conflict of interest such as connected transactions.

Connected Transactions

The Company clearly defined principle and procedure of the connected transactions and to be strictly complied with the regulation of the Securities and Exchanges Commission, Capital Market Supervisory Board and the Stock Exchange of Thailand regard to the conflict of connected transactions. The Directors and Executives having interests and/ or connection on a matter will not attend the meeting and vote on such matter to make the fair decisions.

Besides, the Audit Committee is entrusted to review connected transactions on a quarterly basis to avert possible conflicts of interest. Disclosure of connected transactions is provided in the notes to the audited financial statements.

In the previous year, the Company never acts against the regulations of the SET and SEC on Connected Transactions or acquisition/ disposition of assets, including a transaction of providing financial assistance to non-subsidiaries.

Category III : Role of Stakeholders

The Company adheres to the rights of all stakeholders in relation to its business operation, both defined by law or mutual agreement, by responsible to the internal and external stakeholders, whose rights have been violated, with strict fairness. The Company realizes that encouraging a good relationship and co-operation between Company and all stakeholders would be a factor to build wealth and stability. The Company's "Code of Ethics" has clearly defined business ethics with all stakeholders and specified measures and channels for stakeholders to communicate/ inform on un-ethical conducts, lead follow-up procedures including measures to protect the informant under the **"Policy and Regulation regarding Whistle Blower" (Whistle Blower).**

Stakeholders can suggest/ report/ appeal on the above Code of Ethics in person/ letter/ E-mail/ telephone/ fax by contact via :

Mr. Sirorote Metamanosak (Ethic Counselor)
Tata Steel (Thailand) Public Company Limited
Rasa Tower 2, 20th Floor, 555 Phaholyothin Road,
Chatuchak, Bangkok 10900
Tel. : 66 (2) 937-1000 ext. 1810 Fax : 66 (2) 937-1223
E-mail address : sirorotem@tatasteelthailand.com

or directly contact :

Mr. Kriang Kiatfuengfoo
(Chairman of the Audit Committee)
405 Panya village, Phattanakarn Road,
Suan Luang Sub-District, Suan Luang District,
Bangkok 10250

There has been no incident of the appeal against Company's "Code of Ethics" during the previous year.

Guidelines and responsibility to each group of stakeholders are :

Shareholders

The Company is committed to take care of profit and create value to all shareholders with fairness by operating business efficiently and treat shareholders with strictly respect to laws and regulations. The Company would inform shareholders of correct and complete information, including disclosing such information in accordance with relevant rules and agreement.

Employees

The Company regards employees as valuable asset. Therefore, emphasis is placed on training and development for employees at all levels and scope of works to strengthen the significant basis of the organization. Safety, occupational health and working environment have been also emphasized to all employees. Besides,

the Company sees to it that employees receive fair and appropriate remuneration and welfares to build good relationship, including provides a provident fund for them. The details appear on "Human Resources and Development", page 32.

Customers

The Company is committed to provide good quality products and services with international standard at reasonable prices and fairness. The After Sales Services has been provided to harmonize with the customers' need, in regard to maximum benefit of the customers. This would build customers' satisfaction on Company's products and services.

Business alliances, Creditors and Competitors

The Company is determined to create and support the economy with competition in the free trade market throughout the region by not participate any unfair trade activities and not taking advantage of or providing false information related to competitors' products and services. During previous year, there has been no conflict between the Company and competitors.

Creditors

The Company strictly complies with the conditions and requirements of both Trade Creditors and Lender and pays a debt on specified time, as well as following the affirmatives give to the creditors throughout the liable periods and provide information with accuracy, transparency, equity and fairness.

Community and society

The Company states clearly in its policy on carrying out its business by being a good corporate citizenship with duty and responsibility to the surrounding communities and society. The Company does not regard its implementation according to the specified policy as an option, but it determines to incorporate them into its business plan.

The Company committed to promote and improve well-being of people in surrounding communities as well as in other areas of the country such as helping people in remote areas, disadvantage groups, and victims of natural disasters, including giving high priority to environmental conservation activities both at community level and broader level in the society. From that commitment, the Company has defined its activities for community and society into four categories : (1) supporting surrounding community activities, (2) developing children and youth in remote areas, (3) supporting non-profit organizations, and (4) environmental conservation.

Details of activities carried out by the Company in the year 2010 – 2011, appear on page 52 titled "Corporate Social and Environmental Responsibility" on "Social Responsibility Activities".

Environment

The consistently focus on environmental conservation in order to preserve well-being of environment by strictly conforming to laws, regulations, and various standards in every production process and step of work, in particular in terms of efficient resources management (covering energy conservation, water resources management, air pollution management, greenhouse effect management, noise pollution management, and waste management), re-use of resources as well as strictly compliance with environmental laws and regulations.

In 2009, Tata Group committed to focus and was a leader on the "Climate Change" due to arising global warming issues. All subsidiaries of Tata Group are conducting studies for profound understanding and to be able address issues promptly, resulting in higher creditability. More green technology will be available and implemented. Therefore, the Company and subsidiaries set long-term goals to monitor and address carbon dioxide and other greenhouse effect gasses emission not to exceeding allowed level. The said goals bring about new environmental friendly process guidelines and research for new innovations in different areas. The "Green" concept is also being applied in each step of the Company's core business operations.

Detailed information on corporate environmental responsibility carried out by the Company during 2010-2011 appears on page 54 on "Corporate Environmental Responsibility".

Category IV : Disclosure and Transparency

The Company emphasize and realize the responsibility to disclose Company's information for transparency, accountability and beneficial for the investment decisions of shareholders, investors, analysts and other stakeholders. Such information disclosed must be correct, inclusive, thorough and create no misunderstanding. That information should be up-to-date and timely as specified by the Securities Exchange Commission ("SEC"), the Securities Exchange of Thailand and relevant agencies. The Management is assigned to supervise the communication and important information disclosure both the Periodic reports such as financial statements, annual statement (Form 56-1), annual report (Form 56-2) and Non-Periodic reports such as asset acquisition/disposition, connected transaction, participation/cancellation of joint venture, increase/ decrease of capital, issuance of new shares and by back of shares.

The Company has set up the Corporate Secretary Office to act as a center for Company's information disclosure both in normal and urgent situations. Samples of the information are

1. Financial and non-financial information with completeness, correctness and comparativeness, both in Thai and English : SET news network (www.set.or.th)

2. Analytical clarification of the financial status and operating results in every quarter : SET news network/ TSTH website (www.tatasteelthailand.com)/ Newspapers

3. Latest shareholding structure is disclosed with transparency by detailing the major shareholders and proportion of minority shareholders, including Beneficial owner and no cross holding between the Company's group. The information of Directors and Executives' shareholding is also included : Annual Report/ TSTH website

4. Information in the annual report is disclosed completely and clearly for the benefit of shareholders' decision making such as analysis on financial status and operating performance, analysis on industry overview and competition, business risks, bio-data of Directors and Executives, remuneration of Directors and top Executives and information on Directors' meeting attendances : TSTH website

5. Financial statements in accordance with generally accepted accounting principles and audited by an independent auditor who is qualified and accepted by SEC. The Company had no record on submitted delayed quarterly and annually financial statement to SET and SEC : SET news network/ TSTH website

6. Information on connected transactions (if any)

Besides, the Company has assigned the President to communicate Company's information to investors who are shareholders and general shareholders, and assigned the Corporate Secretary to manage the function of Investor Relation by responsible for communicating and coordinating with investors, analysts and related agencies and providing convenient access to Company's information such as meeting materials, operating performance materials and other reports through Company's website (www.tatasteelthailand.com) This is to strengthen investors' understanding and confidence towards the Company.

In 2010 - 2011, The Company has arranged for analysts and interested investors to meet and discuss with the President and Executives. There were eight sub-meetings and three meetings of about 20 analysts including plant visits consisted of almost 300 shareholders.

Category V : Responsibilities of the Board of Directors

The Company stress the role of Directors' responsibilities by performing their functions with **"responsibility, cautiousness, integrity and accountability"** on ground of mutual confidence. The Company has defined clear structure of Directors and appointed Committee with specific expertise to allow effective supervision of the operation by Directors and to cautiously screen matters of importance for correct decision making. Management system in accordance with the principles of good corporate governance was implemented to ensure honest, reasonable and independent supervision and operation under legal framework and business ethics as follows :

Structure of the Board

The Board of Directors composes of qualified persons with appropriate knowledge, ability and experiences in steel industry and other businesses, leadership with broad perspective and capability of functioning as Directors who can express freely and beneficial to the Company's business operation.

Currently, the Board of Directors consists of appropriate nine members, three of which are Independent Directors as specified in the Company and SEC's regulation together with six non-executive Directors and Directors representing major shareholders. The Company has defined that the Chairman, as the policy leader, and the President, as the leader of operation, should not be the same person to clearly segregate the roles and induce equilibrium in operation.

For the greater corporate governance, the Board of Directors also appoint four other committees which are the Audit Committee, the Executive Committee (Management Committee), the Corporate Governance and Nomination Committee and the Remuneration Committee to screen specific matters and present to the Board for consideration or acknowledgement.

Besides, the Board of Directors also appoints the Corporate Secretary on behalf of the Company or the Board of Directors to provide and keep the following documents : (1) a register of directors (2) a notice calling a director meeting and minutes of the meeting of the board o directors (3) a notice a calling a shareholder meeting and minutes of the meeting of the shareholders (4) annual report of the Company.

Moreover, the Corporate Secretary also keeps a report of interest filed by directors and executives and performs any other acts as specified by the SEC.

Selection of the Board of Directors and Committees

The Corporate Governance and Nomination Committee is responsible for selection of Directors and Independent Directors before proposes to the Board of Directors and/or the shareholders' meeting for election or appointment. The selection would be in line with the guidelines and principles which had been approved by the Board of Directors as follows :

1. Possess the qualifications with no prohibited characteristics as specified in the Company's Articles of Association, the Public Company Limited Act and the Securities Exchange regulations.

2. Persons with capabilities, experiences and diversity of skills, knowledgeable, competent, leadership, varied perspectives, ethical, record of transparency and ability to express opinions independently.

3. Persons who can devote sufficient time to attend Board meetings to monitor Company's operation. Holding of Board positions in other companies should be limited to an appropriate numbers.

4. Persons who are not Directors, Executives, shareholders or partners with substantial shareholding of the similar or competitive business operations or business operations that may provoke conflict of interest with the Company.

5. For Director who is also the President, selection consideration would also base on past performance and result of potentiality evaluation.

For Independent Directors, besides all of the above guidelines and principles, there are extraordinary qualifications which appear on "Independent Director" subject.

In case the election of Company's Director is proposed to the shareholders' meeting for consideration, it would be proceeded according to the guidelines and procedures specified in the Company's Article of Association such as shareholders will have one vote for each share held and in case of a tie, the Chairman of the meeting will have a deciding vote. However, for the election of Company's Director, voting for individual or multiple Directors may be applied but all voting rights equivalent to all the shares held must be exercised at one time and cannot be divided for various candidates.

In the present, Even though the Company do not specify the limit number of Companies that Directors can take the positions of, the Directors also take no exceeding position to affect the efficiency for performing their own duties.

Independent Director

True independent reflects good management which help create confidence for investors. Therefore, the Company has set a definition of "Independent Director" stricter than the one specified by the SEC which is being reviewed and revised regularly. The details are as follows :

(Amended on January 16, 2009 according to the SEC regulation No. tor. jor. 4/2552 Dated February 20, 2009)

❑ Holding not over 1% of the total voting shares of the Company, parent company, subsidiary company, associate company or juristic person who may have conflicts with, including shares held by related persons.

❑ No participation in the management nor being an employee, staff, salaried advisor, person with controlling power, parent company, subsidiary, associate or juristic person who may have conflict with, and not having interest in such activities for the previous 24 months prior to appointment.

❑ No kinship, marriage or legally registered as the father, mother, spouse brother/sisters and child, including child's spouse, with the Executive, major shareholder, person with controlling power or person who will be nominated as Executive or person with controlling power of the Company or subsidiaries.

❑ No business relationship with the Company, parent company, subsidiary, associate or juristic person who may have conflict with, in a way that may limit the exercise of independent judgement. This includes not being, or not having been a major shareholder, non-independent Director or Executive of an entity which have business relationship with the Company, parent company, subsidiary, associate or juristic person who may have conflict with,

and not having direct or indirect interest in the following activities for the previous 24 months.

1) Transactions in the course of normal business operation such as merchandise sales, raw materials purchase or providing services value more than 3% of the Company tangible assets or within the 12 months period.

2) Transactions of renting or renting out of immovable properties.

3) Transactions related to assets or services such as acquisition or disposition of assets, rights or providing or receiving services.

4) Transactions related to granting or receiving financial assistance such as granting or receiving loans, guarantees or providing asset as collateral, including other similar practices which result in the obligation for debt repayment to other parties. Which value more than 3% of the net physical asset or more than Baht 20 millions, whichever the least within the period of 12 months. In case of transactions of granting or receiving financial assistance, debt obligation incurred during the period of one year prior to the date of business relationship of the same person should be accumulated.

❑ Not being an auditor of the Company, parent company, subsidiary, associate or juristic person who may have conflict with, and not being major shareholder, non-Independent Director, Executive or managing partner of the auditing office whose auditor works in the Company, parent company, subsidiary, associate or juristic person who may have conflict with, and should have no interest in such characteristics for the previous 24 months.

❑ Not being a professional service provider, including being a legal advisor or financial advisor who receives service fee of more than Baht two millions from the Company, parent company, subsidiary, associate or juristic person who may have conflict with. In case the professional service provider is the juristic person, it should include being a major shareholder, non-Independent Director, Executive or managing partner of such professional service provider and not having interest in such characteristics for the previous 24 months.

- Not being a Director appointed as representative of the Company's Director, major shareholders or shareholders related to major shareholders.

- Not having characteristics that would make independent expression of opinion about Company's operation impossible.

- Capable of taking care of every shareholder's interest equally.

- Capable of managing conflict of interest.

- Be able to attend the Board of Directors' meeting to make decision on matters independently.

- Possess the qualifications with no prohibited characteristics specified by the Company's Article of Association and regulations of the Public Company Limited Act and the SEC.

Appointment of Committees

The Audit Committee

The Audit Committee was appointed by the Board since the year 2002, consisted of three Independent Directors. All committee members are knowledgeable with understanding or experiences in accounting or finance and one Director has adequate knowledge and experience to review the credibility of the financial statement and review the operation to be in compliant with the policy and Company's regulations, along with the laws, regulations and guidelines of the supervisory agencies to develop financial and accounting system to be in line with international standards. The review ensures that the Company has the internal control system, internal audit system and risk management system which are concise, appropriate, up-to-date and efficient.

The Company has supported, supervised and authorized the Audit Committee to function efficiently and express its opinion independently. To enhance the efficiency to monitor the Company's operation, since the year 2009, the Company had established the internal audit office which is under the supervision of the Committee instead of hiring an outside agency, to carry-out assignments for the succession on internal audit of the Company and its subsidiaries. When needed, the Audit Committee may seek an external independent advisory at the Company's expenses.

The Executive Committee (Management Committee)

The Executive Committee was appointed by the Board since the year 2002, consisted of three Directors with the responsibility to supervise the Company's operation as assigned by the Board of Directors to consider the policy, strategies, structure and administration authority, business plans, budget allocation and supervising and monitoring of Company's operation, along with screening the matters before presenting to the Board of Directors for consideration.

The Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee was appointed by the Board since the year 2004, consisted of three Directors, including one Independent Director, with the responsibility to propose, review and supervise the functions of the Board of Directors and Management in accordance with the Company's corporate governance guidelines, and also has the duty to consider selection process and recruit appropriate person for nomination as Director or President in replacement of the retiring Director or in other cases.

The Remuneration Committee

The Remuneration Committee was appointed by the Board since the year 2004, consisted of four Directors, including one Independent Director, to study, consider and monitor the change and trend of the remuneration of the Board of Directors and the President and propose as the remuneration policy to motivate and enhance an operation for sustainable growth.

Terms of the Board of directors and Committees

The term of office of each director shall be three years, provided that at every annual general meeting of shareholders, one-third of the directors shall retire. Directors have to jointly agree on the sequence of the retiring of the directors and the director who vacates his office may be re-elected.

The term of Directors of the Committees shall be three years in accordance with the term of the Board of Directors and the director of the Committee who vacates his office may be re-elected as well.

Remuneration of Directors and Executives

The Company has clearly and reasonably set policy and guidelines on remuneration of Directors and Executives. However, the Company has no policy to pay the remuneration to the Executive who takes the position of the Director of the Subsidiaries. The Remuneration Committee would propose the remuneration of the Board of Directors and Committees by considering the duties, responsibilities, overall performances and Company's operating result to shareholders for approval. The remuneration is appropriate when compared within the same industry to be able to retain competent Directors and Executives and not over-paid.

For remuneration of the President and Executives of the Company and its subsidiaries, the Board of Directors, by acknowledgement of the Remuneration Committee, would consider on the duties, responsibilities, individual performance and Company's operating result in both short and long terms.

Total remuneration of the Board of Directors

There are two types of financial remuneration for the Directors. They are fixed remuneration paid every quarter and meeting allowance which would be paid only to attending Directors in each quarter.

In case of the retiring or incoming Directors, they would be paid by calculating only for the days in office during that quarter.

Details of Director's remuneration approved by shareholders' meeting effective from January 1, 2008 until further changes are :

		Remuneration (Baht/year)	Meeting Allowance (Baht/meeting)
Board of Directors	Chairman	900,000	60,000
	Vice Chairman	750,000	30,000
	Director	675,000	30,000
Audit Committee	Chairman	240,000	22,500
	Member	165,000	15,000
Executive Committee	Chairman	0	22,500
	Member	0	15,000
Corporate Governance & Nomination Committee	Chairman	135,000	22,500
	Member	90,000	15,000
Remuneration Committee	Chairman	135,000	22,500
	Member	90,000	15,000

In 2010-2011 (April 2010 – March 2011) each Director received total remuneration, separated by Committee, as follows :

No.	Names	Remuneration (Baht)					
		Board of Directors	Audit Committee	Executive Committee	Corporate Governance & Nomination Committee	Remuneration Committee	Total
1.	**Mr. Hemant Madhusudan Nerurkar**[1] Chairman	1,260,000.00	-	-	-	33,626.00	1,293,626.00
2.	**Mr. Kriang Kiatfuengfoo** Independent Director and Chairman of Audit Committee	855,000.00	330,000.00	-	-	-	1,185,000.00
3.	**Mr. Maris Samaram** Independent Director, Audit Committee and Corporate Governance & Nomination Committee	825,000.00	225,000.00	-	105,000.00	-	1,155,000.00
4.	**Asst. Prof. Rawewan Peyayopanakul**[2] Independent Director, Audit Committee, Corporate Governance & Nomination Committee and Remuneration Committee	855,000.00	225,000.00	-	82,830.00	120,000.00	1,282,830.00
5.	**Mr. Koushik Chatterjee** Director, Chairman of Executive Committee, Chairman of Corporate Governance & Nomination Committee and Chairman of Remuneration Committee	930,000.00	-	-	157,500.00	169,163.00	1,256,663.00
6.	**Mr. Hridayeshwar Jha**[3] Diector, Executive Committee and Remuneration Committee	855,000.00	-	-	-	97,830.00	952,830.00
7.	**Mr. Thachart Viswanarth Narendran** Director and Executive Committee	855,000.00	-	-	-	-	855,000.00
8.	**Mr. Taratorn Premsoontorn** Director and Remuneration Committee	825,000.00	-	-	-	120,000.00	945,000.00
9.	**Mr. Laptawee Senavonge**[4] President and Executive Committee	855,000.00	-	-	-	-	855,000.00
	Total	8,115,000.00	780,000.00	-	345,330.00	540,619.00	9,780,949.00

Remarks : (1) Has been resigned from the Chairman of Remuneration Committee since April 30, 2010.
(2) Has been appointed as member of the Corporate Governance & Nomination Committee since April 30, 2010.
(3) Has been appointed as member of the Remuneration Committee since April 30, 2010.
(4) Has been appointed as the President since April 1, 2010.

Total remuneration of the Management

Total remuneration in terms of salary and bonus for 2010-2011 (1 April 2010 – 31 March 2011) for 10 executives were Baht 34.03 millions.

Total remuneration of the Board of Directors of core business subsidiaries

The Company does not pay remuneration to Directors of its subsidiaries.

Total remuneration of management of core business subsidiaries

Total remuneration in terms of salary and bonus for 2010-2011 (1 April 2010 – 31 March 2011) for three executives was included in the remuneration of the Company's executives.

Other forms of remuneration

The Company has contributed to the provident fund of employees for management of the Company and its subsidiaries approximately 10% of total payroll or equal to the contribution in 2010-2011 (1 April 2010 – 31 March 2011) for 10 executives totaling Baht 2.97 millions.

Moreover, the Company provided company's cars to Company's Executives and Managing Directors of is subsidiaries.

Currently, the Company has no policy to offer Executives with the Employee Stock Option Program (ESOP) or Employee Joint Investment Program (EJIP) but has managed compensation for executives in other forms with regard to performance, Company's operating result, duties, responsibilities and potential of each Executive.

Roles, Duties and Responsibilities of the Board of Directors

Leadership and Vision

The Board of Directors has a leadership and independence to define Company's vision, mission, policies, long-term strategy, business plan and annual budget which to be proposed by the assigned managements. To consider those matters, directors will fully discuss and share their opinions on the basis of responsibility, cautiousness, honesty and accountability. Besides, the Board also assigned the managements to implement on complying with the specified policy and plan to drive the Company's operation go through the same direction and enhance the effectiveness and efficiency.

Furthermore, the Board of Directors has the responsibility to review operating plans, target, and to allocate adequate budget, especially budget for organization and product research and development, competitive capability development, Company's performance evaluation and entire Board of Directors performance evaluation, including top Executives, to supervise, review, improve and develop risk management system, internal control and internal audit to correspond to the changing environment, and to oversee and develop Company's corporate governance to international standard. They should dedicate themselves and their time without taking improper advantages for themselves or other persons, and should not act in such a way that could provoke conflict of interest or compete with the Company or its subsidiaries' operation. The ultimate objective is to operate business with stability for the balanced and sustainable benefits of all stakeholders, including create value for shareholders continuously.

Business Ethics

The Company has emphasized the high standard business operation of professionalism, integrity, moral and ethical under the **"Tata Code Of Conduct" (TCOC)** which has prepared in form of written document and published a Thai version of the "Ethics Handbook" for distribution to the Board of Directors, Executive Committee (Executive Directors), Management, employees and external stakeholders who conduct business with the Company, both government agencies and private sectors. Besides, the Board of Directors has been overseeing, communicating and encouraging employees at all levels to strictly and constantly adhere to the principles of integrity, transparency and fairness. When there is a breach or possibility of a breach of Company's Code of Conduct, supervisors must be notified immediately.

The Tata Code of Conduct consisted of 25 matters which are national interest, financial reporting and records, competition, equal-opportunities employer, gifts and donation, government agencies, political non-alignment, health, safety and environment, quality of products and services, corporate citizenship, cooperation of Tata Companies, public representation of the company and the group, third-party representation, use of the Tata brand, group policies, shareholders, ethical conduct, regulatory compliance, concurrent employment, conflict of interest, securities transactions and confidential information, protecting company assets, citizenship, integrity of data furnished, reporting concerns.

Furthermore, the Company has announced "Policy and procedures on petitioning of Code of Conduct violation" **(Whistle blower)** to safeguard employees and external stakeholders who choose to report on the violation or possible violation of the Code of Conduct.

Handling of Conflict of Interest

The Company places importance on the handling of Conflict of Interest issues with cautiousness. Directors, Executives and employees will work with honesty, reasonableness, independence and transparency for the overall best interest of the Company and Shareholders by following the guidelines of SEC, SET, Company's Article of Association and relevant laws. It also reports and discloses complete and clear information on Company's operation and not discloses insider information or uses such information for their personal advantages. If any of the Directors has a stake or interest in the matter discussing, he/she will not attend such meeting or will abstain his/her vote.

Moreover, the Company emphasizes the strict compliance with the Code of Conduct in business operation and has set clear guidelines on the issue for employees at all levels.

Risk Management

The Company has implemented appropriate risk management system by adopted an international standard to applied with the Company's business and appointed the Risk Management Committee consisting of the Managements from each major department of the Company and its subsidiaries to define and revise the administrative policy and strategy, the organization-wise implementation, including risk factors, risk probability and impacts to the Company's goal. Moreover, the appropriate plan and process to reduce risks that might cause were defined and followed up, including reviewed and revised to increase efficiancy. The Company has also assigned the Audit Committee to evaluate the efficiency of risk management system and report to the Board of Directors regularly. This is the warning mechanism to help protect or minimize the possible losses to Company's operation.

Internal Control and Internal Audit

The Company encourages employees at all levels to realize the importance of internal control and internal audit system by setting up efficient system and controlling/ monitoring procedures throughout the organization both for financial report and compliance process to maintain flexibility where employees can control, supervise, evaluate and review their own work to minimize the risk of fraudulent acts and improper exercise of power and to prohibit illegitimate activities. Since 2009, the Company has also set up its own internal audit office. This office has the responsibility to supervise the internal audit work of the Company and its direct report subsidiaries which operate under the supervision of the Audit Committee who oversees that various operations are in compliant with the policies, plans, authority and regulations, including evaluating the risk management and internal control for appropriateness and effectiveness. These are done on the basis of independence and assurance that major operations and significant financial transactions are carried out according to the prescribed guidelines and regulations.

Meeting of the Board of Directors

The Company has scheduled meeting dates and significant agenda, including the monitoring of operation, not less than five times per year. Additional meetings may be arranged for urgent matters. For each meeting, invitation letter, agenda and accompanying papers would be sent for advance study. Chairman of the Board of Directors who chairs the meeting would conduct

the meeting according to the agenda, with regard to the benefit of shareholders and every group stakeholders, and allowing independent expression of opinion, allocating sufficient time for thorough discussion and expression in each agenda. The resolution of each agenda would be decided by majority voting, in case of a tie, the Chairman of the meeting would cast a deciding vote. Director who has an interest in the discussing matter would not attend the meeting and/or would abstain. The minutes would be clearly recorded after the end of the meeting.

The Management would also attend each meeting of the Board of Directors to report on essential information and to acknowledge the policies and decisions of the Board of Directors for the benefit of efficient and prompt actions. Exception is made to some meeting agenda specifically reserved for only the Board of Directors or non-Executive Directors to allow independence of expression or additional confer meeting among themselves.

To ensure that Company's operation is in compliant with the rules, regulations and good corporate governance principles, the Board of Directors has appointed the Corporate Secretary to act as the Secretary to the Board of Directors and other Committees. The Secretary to the Board has the major duties of (1) providing recommendations on complying with the laws to Directors and Management, (2) coordinating to comply with the Board's resolutions, (3) attending every meeting of the Board of Directors, Committees and Shareholders and preparing such minutes of those meetings, and (4) implementing any other tasks according to the SEC's regulations.

Training and development Programs for Directors and Managements

The Company emphasizes and supports the training and development of Directors and Executives to attain any trainings or activities through related institutions constantly and regularly such as the Securities and Exchange Commission, the Securities Exchange of Thailand, Thai Institute of Directors Association ("IOD"), public and private academic institutions so that they can perform their duties efficiently and develop themselves to cope with the changing situations.

Summary of number of meetings and attendances of Directors for the year 2010-2011

No.	Attendances of Directors (% of the entire Board members)					
	Board of Directors	Audit Committee	Executive Committee	Corporate Governance & Nomination Committee	Remuneration Committee	Annual General Meeting
For the year 2010-2011	-	-	-	-	-	9 (100%)
1	9 (100%)	3 (100%)	-	2 (100%)	4 (100%)	-
2	9 (100%)	3 (100%)	-	-	4 (100%)	-
3	8 (90%)	3 (100%)	-	-	-	-
4	8 (90%)	3 (100%)	-	-	-	-
5	9(100%)	-	-	-	-	-
6	9(100%)	-	-	-	-	-

In 2010-2011 (April 2010 – March 2011), Directors attended the meetings as follows :

No.	Names	Attendances/ Meetings (times)						
		Board of Directors	Audit Committee	Executive Committee	Corporate Governance & Nomination Committee	Remuneration Committee	Annual General Meeting	Total
1.	**Mr. Hemant Madhusudan Nerurkar**[1] Chairman	6/6	-	-	-	1/1	1	8/8
2.	**Mr. Kriang Kiatfuengfoo** Independent Director and Chairman of Audit Committee	6/6	4/4	-	-	-	1	11/11
3.	**Mr. Maris Samaram** Independent Director, Audit Committee and Corporate Governance & Nomination Committee	5/6	4/4	-	1/1	-	1	11/12
4.	**Asst. Prof. Rawewan Peyayopanakul**[2] Independent Director, Audit Committee, Corporate Governance & Nomination Committee and Remuneration Committee	6/6	4/4	-	-	2/2	1	13/13
5.	**Mr. Koushik Chatterjee** Director, Chairman of Executive Committee, Chairman of Corporate Governance & Nomination Committee and Chairman of Remuneration Committee	6/6	-	-	1/1	2/2	1	10/10
6.	**Mr. Hridayeshwar Jha**[3] Director, Executive Committee and Remuneration Committee	6/6	-	-	-	1/1	1	8/8
7.	**Mr. Thachart Viswanarth Narendran** Director and Executive Committee	6/6	-	-	-	-	1	7/7
8.	**Mr. Taratorn Premsoontorn** Director and Remuneration Committee	5/6	-	-	-	2/2	1	8/9
9.	**Mr. Laptawee Senavonge**[4] President and Executive Committee	6/6	-	-	-	-	1	7/7

Remarks : (1) Has been resigned from the Chairman of Remuneration Committee since April 30, 2010.
(2) Has been appointed as member of the Corporate Governance & Nomination Committee since April 30, 2010.
(3) Has been appointed as member of the Remuneration Committee since April 30, 2010.
(4) Has been appointed as the President since April 1, 2010.

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITIES

The Company and its subsidiaries commit to conduct its business by being a good corporate citizenship with duty and responsibility to the community, society and country, while the environmental conservation is also our key area of thrives and continuous activities. These are key mechanisms that bring about acceptance from the society and become driving force for business growth in parallel with sustainable social and environment development.

Corporate Social and Environmental Responsibility of the Company and its subsidiaries can be seen from different activities in various areas as follows :

Corporate Social Responsibility

1. Legal Compliance

The Company and its subsidiaries are determined to strictly comply with applicable laws. This is due to the implementation of "Tata Code of Conduct : TCOC", of which provides that all employees shall comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which they operate. The Company has set up a unit to be responsible to regulate all functions to comply with laws, regulations and ethical norms. The Company and its subsidiaries have to prepare compliance reports and regularly and timely submit them to responsible unit. In the case where there is any non-compliance, negligence or in-appropriate actions occurred, the said unit will notify relevant functions for immediate improvement. Furthermore, whenever new laws, rules, regulations, or orders are enforced, the said unit has to notify or call a meeting to inform and clarify relevant functions on compliance with such laws and regulations promptly and appropriately.

2. Commitment to produce products of applicable quality standards

The Company is determined to produce and distribute its products according to relevant standards as prescribed by laws. Each product has to be certified by the Thai Industrial Standard Institute (TISI). The Company has maintained products quality according to applicable laws consistently.

Apart from having certified products, the Company and its subsidiaries' production processes are also received certifications from the International Standard Organization, i.e., ISO 9001 : 2000 and ISO 9001 : 2008 (International Standards for Quality Management Systems). The Company realizes the importance of the environmental conservation, provides safety and hygienic working space for employees and contractors, and maintains testing laboratory in excellent condition at all time. The Company also receives ISO 14001 (International Standard for Environmental Control), TIS/ OHSAS 18001 (International Standard for Occupational Health and Safety) and ISO/IEC Guide 17025 : 2005 (General Requirements for the Competence of Testing and Calibration Laboratories) certifications, respectively.

Furthermore, the Company recognizes the importance of communication in educating consumers to be aware of how to buy standard products and consequences of using sub-standard products. The Company has organized trainings, prepared publications and marketing materials such as poster comparing between standard steel (TISI certified) and sub- standard one (no TISI certified), products showcases, standard rebar buyers' guide and banners in front of distributor outlets, etc.

3. Responsibility for employees, suppliers and contractors working at plants

The Company is responsible for its employees, suppliers and contractors who are working in the plants whereby all will be treated as counterparts supporting each other. Life and safety of employees, suppliers and contractors are our main concern. In August 2010, the Company has launched the Safety Excellence Journey (SEJ) project by inviting experts from Tata Steel to provide consultancy for improvement of Occupational Health and Safety management of the Company and its subsidiaries using internationally recognized standards. The Company is determined to conduct its business base on safety standard and to achieve the target of zero accident.





4. Social Responsibility Activities

The Company is committed to improve the quality of life of people in the community and society to bring about sustainable national development. Based on the said commitment, the Company's subsidiaries have received awards and certifications showing CSR achievements : the Siam Construction Steel Company Limited was awarded with the certificate for participating in the Corporate Social Responsibility of the industrial sector project Department of Industrial Works (CSR – DIW), and the Siam Iron and Steel (2001) Company Limited was awarded with the certificate on transparency and Corporate Social Responsibility from Department of Primary Industries and Mines (CSR – DPIM). The assessment for both certifications is based on applicable guideline of international standard of ISO 26000 : Social Responsibility.

With our firm commitment on social responsibility, the Company has set guideline for implementing social responsibility activities in 4 areas, as follows :

1. Supporting children and youth development in remote areas

The Company has initiated a **"Grow Smart with Tata Steel"** project which aims to encourage learning and self-development for school children in remote areas by implanting reading habits, expanding their knowledge and skills, including ability to apply lesson learnt to assist their family and community. These will be beneficial to community and social development in the long run.

The Company created book corners in school libraries and supplied them with books and other learning materials, at first starting with schools in surrounding communities and later extending to schools in remote areas throughout Thailand.

During FY 2010-2011 (1 April 2010 – 31 March 2011), the Company has set up book corners under **"Grow Smart with Tata Steel"** project for 41 schools in different provinces. There are 117 schools receiving book corners since the project initiation in 2009. The Company set a target to present book corners in 400 schools in all regions of Thailand.

Apart from the book corners, the Company has also prepared a library management manual and provided it to each school in order to support library services to be more efficient. Every six month, the Company sent additional books to those schools. The Company staff also occasionally visited those schools as appropriate.











2. Supporting communities nearby the plants

The Company provides support to surrounding communities to improve well-being of communities' members. There are 7 areas of supporting activities as follows :

2.1 Activities to promote local culture and customs : Kathin offering or presenting robes to Buddhist monks at monastery, casting and offering candles on Buddhist lent, and improving landscape and painting community temples.

2.2 Promote health and safety for community members : organizing mobile clinic, campaigns for prevention of new Influenza, and training of safety driving of motorcycle.

2.3 Community development : donating construction materials and equipment to temples, schools and local government agencies, including supporting other activities organized by communities and local government agencies.

2.4 Support the victims of natural disasters and underprivileged groups in community : supporting the poor and old-aged and distributing relief bags to victims of flood in communities.

2.5 Children and youth development in communities : presenting scholarship, school supplies, sports gear to schools in surrounding communities, building restrooms, improving play grounds and canteens for community schools, organizing essay contest during Father's Day and Mother's Day, organizing Children's Day Activities for school children in community, arranging English training courses under "Tata Steel English on Tour" project, arranging soccer skills training under "Tata Steel Football Academy" project, including improving football field for community schools, training basic computer skills for children and youth in community, as well as improving sport field and providing sports equipment to children and youth in community.

2.6 Community environmental conservation : organizing environmental conservation camp for kids and school children in community, planting trees around plants and communities, as well as rehabilitating of community forest.

2.7 Occupational promotion in community : training on different occupations for community members.



3. Supporting of non-profit organizations

The Company has provided support for non-profit organizations in 4 areas as follows :

3.1 Royal-Initiated Projects : contributing on building Chaipattana Low Speed Surface Aerator for royal initiative projects under the "Chaipattana Foundation", contributing to cartoon publication titled "Following the King footsteps on Sufficiency Economy" in honor of the King by the 5th December Foundation, and donating rebars for building a border patrol police school at Ban Kae Dae school in Songkhla for a project under the royal initiative of Her Royal Highness Princess Maha Chakri Sirindhon.

3.2 University students : Supporting voluntary camp for the Faculty of Engineering, Chulalongkorn University on building concrete bridge in remote villages under the "Yuwawitsawakornborphit Bridge" project and supporting a student forum at the Faculty of Law, Thammasat University.

3.3 Socially underprivileged groups : donating food and supplies, as well as providing lunches at Rangsit Babies' Home, Pakkred Babies' Home, Bang Khae Home 2, Foundation for Children, Gerda Children's home, presenting of used books donated by staffs, shareholders, customers and suppliers to The Mirror Foundation, presenting of used toys donated by staffs, shareholders, customers and suppliers to The Children Foundation, including providing "speaking

books" to the library of the Thailand Association of the Blind, as well as donating Braille's teaching materials donated by staffs to the Bangkok School for the Blind.

3.4 Victims of natural disasters : donating relief bags to flood victims in Saraburi, Ayutthaya and Lopburi provinces, fixing electrical system and improving areas of schools affected by flood in Saraburi province, including donation of blankets to school children at Ban Mae Sa Pe Tai, Mae Hong Son province.

4. Environmental conservation

The Company initiated "Save Our Earth" project to raise the awareness on environmental responsibility for employees. Key activities under the project are as follows :

4.1 providing the guideline on reducing global warming, and distributing cotton bags to all staff for reducing plastic bags usage on project launching day.

4.2 releasing hatched fish to natural bodies of water, and cleaning public canals.

4.3 working with The Faculty of Fisheries, Kasetsart University, to apply the Company's products for forming structures for nursing corals and sea animals at various tourist sites around Koh Larn, Pattaya in Chonburi, including returning sea horses to the sea.





4.4 building permanent and temporary dams, artificial salty earth, and planting flora orchids and banana at Ang Rue Nai Wildlife Sanctuary, Chonburi to create food and water supply sources for wild animals.

Corporate Environmental Responsibility

The Company and its subsidiaries have given high priority to utilize resources effectively and efficiently with appropriate environmental management to minimize impacts to the community. Having constantly strived on this area of implementation, N.T.S. Steel Group Public Co., Ltd. received an award on best garden in industrial park from the Industrial Estate Authority of Thailand (IEAT) while the Siam Construction Steel Co., Ltd. received an award for outstanding company in quality, environmental and safety management from the Department of Primary Industries and Mines, Ministry of Industry, and received Environmental Governance Award "Green Star" from IEAT.

Apart from the above environmental awards, the Siam Iron and Steel (2001) Co., Ltd., also received TIS 18001 and OHSAS 18001 : 1999 international certifications for occupational health and safety. At the same time the Siam Construction Steel Co., Ltd. received TIS/ISO 14001 (International Standard for Environmental Control) and TIS 18001 (International Certification for Occupational Health and Safety) certifications. During 2011, Siam Iron and Steel (2001) Co., Ltd. and N.T.S. Steel Group Public Co.,Ltd. are working on environmental process improvement in order to apply for ISO 14001 Certification for Environmental Control.



CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITIES

With regarding to environmental responsibility's activities implemented by the Company and its subsidiaries, there are activities related to "CSR-In process" in three areas, as follows :

1. Resource management

Energy conservation

❑ Energy Management committee has been organized. The policy on energy has been announced and circulated to all staff for full compliance.

❑ Incorporated energy management as required by laws into the TPM (Total Productive Maintenance) activities and let all employees participate in searching and amending any deficiency, leakages, reduce left over and avoid unnecessary overuses as well as regularly improving machinery efficiency.

❑ Appropriately adjust working time of the Dedusting Systems motor to be in accordance with the amount of dust instead of running at full capacity at all time. It is controlled by PLC (Programmable Logic Controller) which results in the saving of electricity cost of Baht 1.8 million per year.

❑ Reduced the usage of electricity at the Electric Arc Furnace (EAF) and Ladle Furnace (LF) by properly adjusted the heating profile in accordance with the production. For EAF power usage is reduced to 4.41 kW/hr./tonne and for LF to 9.63 kW/hr./tonne.

❑ Reduced the usage of fuel at the Reheating Furnace (RHF) by planning the production of billet to be in line with the rolling mill production. This would allow fresh billet from production to be transferred directly to the rolling mill for further processing.

❑ Installed Recuperator, a heat exchanger from the exhaust, for the Reheating Furnace (RHF) before releasing to the atmosphere. Fuel consumption is reduced to 1.1 litre per tonne, the saving of fuel usage and electricity translate to saving of Baht 4.23 million per year.

❑ Installed the Nozzle used with the Tundish to receive the flow of liquid steel to the mould without having to warm it first.

❑ Installed automatic air conditioning control system for different control rooms.

❑ Improved lighting system inside the plants to utilize natural light in order to reduce electricity consumption at the rolling mill by installing skylight apertures on the roof.

❑ Reduce the number of bulbs in the workplace where light intensity is over standard. Installed reflecting fixtures to the fluorescence lamps to increase light intensity. Divided control switches for smaller areas so that lights can be turned off in specific areas. Campaigned for all functions to turn off lights, air conditioners and office equipments during lunch break.

Water resources management and water treatment

❑ Wastewater is treated in the Water Treatment Plant using the oxidation pond method. There is no wastewater discharged outside the plant. Treated wastewater will be reused in various production processes and other purposes, i.e., watering trees and lawns within plants, sprinkling on materials piles and roads to prevent dust dissipation. In any case, there must be zero discharge from all plants.

Air pollution management

❑ Installing Canopy Hood for dedusting residual from production process and collecting and treating by Baghouse Filter before releasing to the atmosphere.

❑ Installed the Continuous Emission Monitoring System (CEMS) to automatically measure and control the emission rate from dedusting plant to the minimum intensity.

❑ Installed CCTV at the RHF chimney to inspect dust and fume's quality for immediately resolve any issues found.

❑ Installed net wall to prevent dust diffusion to adjacent plants and community.

❑ Built footpath along the road shoulder to prevent dust diffusion.

❑ Enclosed scraps pile with slant filter to prevent dust diffusion.

❑ Planted trees around scrap piles and plants to create pleasurable atmosphere and to prevent dust diffusion.

Greenhouse effect management

❑ Monitoring Carbon Dioxide (CO_2) emissions to atmosphere monthly. Tata Steel (Thailand) has set the target to reduce CO_2 emissions to less than 1.0 tonne per a tonne of liquid steel by 2015.

❑ Using Natural Gas as fuel instead of oil at the Reheating Furnace (RHF) to reduce Sulfer Dioxide (SO_2) emission and the use of Low NO_x Burner to replace existing Burner at the RHF to reduce Nitrogen Oxide (NO_x) emission.

Noise pollution management

❑ Set up air-conditioned Control Room in areas where there is extensive heat and noise such as the furnace area and the rolling mill area in order to avoid exposure to any heat and noise outside the control room.

❑ Put up the warning signs in areas having excess noises to remind the employees to use hearing protectors when working in those areas.

❑ Assigned specific officers to be responsible for continuous inspection and maintenance of all machines and seek measure to control noise from various equipments especially in the area of cutting machines and blast furnace plant.

Waste management

❑ Prepared lists of waste materials and dispose of properly as prescribed by laws for each item.

❑ Closely monitored performance of Company's registered waste disposal contractors.

❑ Campaigned on garbage sorting to raise awareness among employees and contractors for participation in environmental issues. Sufficient separate colored garbage bins were set up around the plants and offices. Red is designated for hazardous wastes, yellow for general garbage and green for recyclable wastes.

2. Renewable resources

Gas

❑ By-product gas from the Mini Blast Furnace is reused for generating power for hot air blower in sinter plant and in-house small power plant for generating electricity and then feed into power grid of the Mini Blast Furnace. External power consumption can be reduced for more than 50% (only for Mini Blast Furnace).

Dust

❑ Emissions from dedusting plants at ore piles, sinter plant, and furnace plant of the Mini Blast Furnace, will be filtered for iron ore content and will be re-used as raw materials for natural ore in sinter making. Not only cost-saving in production process but also environment conservation can be achieved by reduce dust diffusion.

❑ Residuals from production process having 28-30% of zinc contents will be sold for zinc extraction instead of sending off to a safety dump site at costs.

Slag

❑ Slag from hot iron production process at Mini Blast Furnace is to be sold for mixing in high grade cement production.

❑ Slag from steel plant will be recycled for iron sort out and to be reused as raw materials in production process. The rest of slag will be sold for usage in other purposes.

3. Compliance with environmental laws and regulations

❑ Revise and submit for approval of EHIA (Environment and Health Impact Assessment) for Mini Blast Furnace Plant.

❑ Compliance with EIA measures : The Company is completely compliance with all measures and regularly submit relevant reports to responsible government authorities in timely manner.

❑ Compliance with pollution laws : The Company reports the type and quantity of polluted emissions from plants of which are fully complied with relevant laws and regulations.

❑ Compliance with waste laws : Waste handling in all plants is fully complied with laws.

CONNECTED TRANSACTIONS

Characteristics of connected transactions

For the 12-month period ending March 31, 2011, March 31, 2010 and March 31, 2009, the Company entered into connected transactions with related companies as summarized below :

Unit: (in Thousand Baht)

Type of Connected transactions	Mar 31, 2011	Mar 31, 2010	Mar 31, 2009
Sales	3,557,767	2,053,639	2,001,283
Other income	16,680	75	323
Purchases	4,528,519	3,458,133	1,372,951
Other expense	35,168	40,736	-
Interest income	-	-	-
Interest expenses	-	-	-
Trade accounts receivable	238,352	52,088	4,774
Receivables and loan to borrowers	2,710	431	385
Notes receivable	-	-	-
Trade accounts payable	1,352,915	438,150	45,473
Payables and loan from lenders	19,896	13,871	24,666
Long-term loa	270,596	270,596	270,596
Guarantees of the Company and its subsidiaries	See details on note to Financial Statements		

Details of each connected transaction appeared on Note to Financial Statements.

Pricing Condition and Policy

The said connected transactions between the Company and subsidiaries or related companies were adopted by borrowing or grant of loans policy within the frame of market mechanism, with prices and interest rates applicable to ordinary person. In the absence of reference price or interest benchmark rate, the Company will compare to the third party prices under the same or similar conditions or, upon significant transactions, based on the appraised value reported by independent appraisers.

Necessity and Appropriateness of Connected transaction

The said connected transaction has been transacted in the normal course of business and generally accepted trading term. The benefits to the Company from such transactions were that purchase of raw materials ensured quality and continuity of raw material supply, sales of goods added more channels of product distribution, and promissory notes enhanced flexibility in operation.

Measures/Procedures of approving connected transaction

In approval of connected transactions, each subsidiary, as clearly set forth in the Authority Table of the Company, must seek approval from either its Managing Director or the subsidiaries' Board of Directors or President or Executive Committee or the Company's Board of directors, depending on the amount of budget involved under the Company's internal control system which has properly been set up to guard cheats and corruption. Such authoritative power is, anyhow, reviewed on a regular basis for the sake of operational flexibility.

Should there be any transactions relating to persons on conflicts of interest with the Company, the Company will strictly follow rules, regulations according to the notifications of by the Securities and Exchange Commission and the Stock Exchange of Thailand, i.e., seeking approval from the Board of Directors and/ or the shareholders, with the recommendation from the Audit Committee. Directors and Executives having interests and/ or connection on a matter will not attend the meeting and vote on such matter to make the fair decisions.

The implementation also included the compliance with the regulation, in case there shall be a disclosure of connected transactions and acquisition or disposition of assets of the Company or its subsidiaries. The Company seriously conforms to the accounting standards announced by the Institute of Certified Accountants and Auditors of Thailand with respect to the disclosure of connected transactions or acquisition/ disposition of major assets of the Company and its subsidiaries. Methods and procedures for the approval of connected transactions are established on the basis of necessity, reasonableness, and the optimal benefit of the Company.

Policy or future trend of connected transaction

Future connected transactions between the Company and its subsidiaries or related companies will be conducted in the ordinary course of business on an arm's length basis. In respect of transactions involving persons with conflict of interests or having interests and/ or connected persons, the Company will strictly perform accordingly to measures and procedures prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Financial Performance

Revenues

April 2010 - March 2011

Revenue from sales of the Company and its subsidiaries was Baht 26,761.72 million, 46% and 39% of which were generated domestically through of the rebars and wire rods, respectively. The other 12% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 57.92 million, representing 0.22 % of total revenues. It comprised mainly of gain from store sales of Baht 23.37 million, dividend income of Baht 18.21 million, interest income of Baht 8.17 million, delay penalty income of Baht 2.67 million, previous year income of Baht 2.30 million and other income of Baht 3.20 million.

April 2009 - March 2010

Revenue from sales of the Company and its subsidiaries was Baht 22,421.75 million, 51% and 34% of which were generated domestically through of the rebars and wire rods, respectively. The other 11% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 98.64 million, representing 0.44 % of total revenues. It comprised mainly of gain on exchange rate of Baht 39.96 million, interest income of Baht 17.60 million, gain from store sales of Baht 2.40 million, delay penalty income of Baht 2.02 million, previous year income of Baht 21.42 million and other income of Baht 15.18 million.

April 2008 - March 2009

Revenue from sales of the Company and its subsidiaries was Baht 29,352.78 million, 55% and 26% of which were generated domestically through of the rebars and wire rods, respectively. The other 12% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 90.43 million, representing 0.31% of total revenues. It comprised mainly of interest income of Baht 54.41 million, gain from store sales of Baht 6.09 million, delay penalty income of Baht 4.99 million and other income of Baht 29.47 million.

Analysis on changes in revenue structure

As for the company net sale for the year ended (April 2010-March 2011) was Baht 26,762 million from sales volume of 1,289,000 tons (Year/April 2009-March 2010: Baht 22,422 million from sales volume of 1,198,000 tons), it is a increase of 19% and 8%, respectively. It is on account of increased Market Share of Business for special wire rod, continue rebar export demand from overseas market and consistent volume supported by regular LCWR customer. The average selling price was increased by Baht 2,000 per ton or 11%. It is on account of the higher international scrap and billet price compare with last year.

As for the company net sale for the year ended (April 2009-March 2010) was Baht 22,422 million from sales volume of 1,198,000 tons (Year/April 2008-March 2009: Baht 29,353 million from sales volume of 1,112,000 tons), it is a decrease of 24% and increase of 8%, respectively. The average selling price of this year was decrease by Baht 7,700 per ton or 29%. The main reason was selling price decrease from previous year.

Net sales for period April 2008 – March 2009 was Baht 29,352.78 million, decreased from Baht 31,139.06 million earned for period April 2007 – March 2008. This was attributable to the overall sales volume which decreased by 6%.The main reason is on account of falling demand in global steel market which continuously effected from the global economy crisis. The sales volume was decreased by 321,000 tons from domestic economic slowdown. While the average selling price of this year was Baht 26,400 per ton or increase by Baht 4,700 per ton. The main reason was the continuously increasing of scrap and billet prices as well as steel bar market price.

Cost of goods sold and Gross profit margin

April 2010 - March 2011

Cost of goods sold of the Company and its subsidiaries was Baht 26,858.63 million, equivalent to 100.36% of total revenue from sales. Gross profit margin accounted for (0.36%) of total revenue from sales.

April 2009 - March 2010

Cost of goods sold of the Company and its subsidiaries was Baht 21,714.74 million, equivalent to 97% of total revenue from sales. Gross profit margin accounted for 3% of total revenue from sales.

April 2008 - March 2009

Cost of goods sold of the Company and its subsidiaries was Baht 28,275.36 million, equivalent to 96% of total revenue from sales. Gross profit margin accounted for 4% of total revenue from sales.

Analysis on changes in Cost of goods sold and Gross profit margin

For the period of April 2010 - March 2011, gross profit of the Company and its subsidiaries represented a margin of (0.36%) as a result of the average selling price of this year was Baht 20,700 per ton or increase by Baht 2,000 per ton from last year. While the average cost of goods sold was increased by Baht 2,700 per ton. Therefore, gross profit margin decrease of Baht 700 per ton from last year.

For the period of April 2009 - March 2010, gross profit of the Company and its subsidiaries represented a margin of 3% as a result of the average selling price of this year was Baht 18,700 per ton or decrease by Baht 7,700 per ton from last year. While the average cost of goods sold was decreased by Baht 5,100 per ton. Therefore, gross profit margin decrease of 1 % from last year.

For the period of April 2008 - March 2009, gross profit of the Company and its subsidiaries represented a margin of 4% as a result of the average selling price of this year was Baht 26,400 per ton or increase by Baht 4,700 per ton from last year. While the average cost of goods sold was increased by Baht 6,400 per ton. Therefore, gross profit margin decrease of 11 % from last year.

Net profit (Loss)

April 2010 - March 2011

Net loss of the Company and its subsidiaries was Baht 976.00 million, attributable to revenue from sales totaling Baht 26,761.72 million, interest income of Baht 8.17 million, gain from store sales of Baht 23.37 million, dividend income of Baht 18.21 million, delay penalty income of Baht 2.67 million, previous year income of Baht 2.30 million and other income of Baht 3.20 million.

April 2009 - March 2010

Net loss of the Company and its subsidiaries was Baht 54.40 million, attributable to revenue from sales totaling Baht 22,421.75 million, gain on exchange rate of Baht 39.96 million, interest income of Baht 17.60 million, gain from store sales of Baht 2.40 million, delay penalty income of Baht 2.02 million, previous year income of Baht 21.47 million and other income of Baht 29.47 million.

April 2008 - March 2009

Net profit of the Company and its subsidiaries was Baht 80.93 million, attributable to revenue from sales totaling Baht 29,352.78 million, interest income of Baht 54.41 million, gain from store sales of Baht 6.09 million, delay penalty income of Baht 4.99 million and other income of Baht 29.47 million.

Analysis on changes in the net profit

For the Period April 2010 - March 2011, net loss of the Company and subsidiaries was Baht 976.00 million. When compared to net loss of Baht 54.40 million in the previous year, it was increased by Baht 921.60 million. The difference is mainly due to cost of goods sold decreased by Baht 2,700 per ton or 15%. Conversely, selling price increased by Baht 2,000 per ton or 11% that led to gross profit decreased 113%

For the Period April 2009 - March 2010, net loss of the Company and subsidiaries was Baht 54.40 million. When compared to net profit of Baht 81.93 million in the previous year, it was decreased by Baht 136.33 million. The difference is mainly due to cost of goods sold decreased by Baht 5,100 per ton or 22%. Conversely, selling price decreased by Baht 7,700 per ton or 29% that led to gross profit decreased 9%

For the Period April 2008 - March 2009, net profit of the Company and subsidiaries was Baht 80.93 million, a decrease of Baht 2,620.14 million compared to Baht 2,701.07 million for April 2007 - March 2008 due to the fact that sales volume decreased by 321,000 tons from previous year and average cost of goods sold was increased by Baht 6,400 per ton. The main reason is on account of falling demand in steel market which continuously effected from the global economy crisis.

Financial status

Assets

Composition of assets

As at March 31, 2011, the Company and its subsidiaries had total assets of Baht 24,913.23 million. It was composed of current assets, property, plant and equipment (net) and other asset of Baht 9,305.90 million, Baht 10,538.15 million and Baht 5,069.19 million, respectively. Other assets included goodwill of Baht 4,116.34 million, deferred tax assets of Baht 743.32 million, prepaid tax expenses of Baht 167.21 million, and others.

Asset Quality

As at March 31, 2011, the Company and its subsidiaries had trade accounts receivable net of allowance for doubtful accounts in the amount of Baht 1,266.24 million, 81.18% of which was from unrelated parties and 18.82% were from related parties. With respect to the quality of the Company's trade accounts receivable, it was regarded as "good" indicating that 95% of aging of trade accounts receivables was less than three months, which implied the average of the Company's credit term offered to customers.

The Company and its subsidiaries have set a policy for provision for doubtful accounts based on an estimate of receivables expectedly uncollectible using historical collection experience and review of current status of

existing receivables. As at March 31, 2011, the Company and its subsidiaries set aside a provision for doubtful accounts amounting to Baht 696.69 million, equivalent to 35.50% of total trade accounts receivable, all of which was against NTS' trade accounts receivable accumulated prior to the merger.

In addition, as at March 31, 2011, the Company had set a provision for obsolescence and slow moving items in the amount of Baht 62.33 million, which belonged to NTS prior to the merger amounting to Baht 38.16 million, and was from SISC as well as SCSC in the amount of Baht 24.17 million. This resulted from the upgrade of long shut down machinery, before the merger, that caused some spare parts impractical to use. The provision was in conjunction with Thai Accounting Standard No. 36 "Re: Impairment". The Company and its subsidiaries will review such impairment on an annual basis.

Liquidity

As at March 31, 2011, the Company and its subsidiaries had a net decrease in cash and cash equivalents of Baht 1,281.74 million from previous year. The change was due to an decrease in net cash from operating activities amounting to Baht 667.32 million, which was explained by the amount of operating profit before changes in operating assets and liabilities of Baht 326.60 million, and an increase in changes in operating assets and liabilities of Baht 993.92 million largely due to the addition in inventory and trade accounts receivable, decreasing in other asset , With respect to investing activities, a net cash flow of Baht 123.21 million was additional investment in fixed assets while net cash of Baht 491.21 million was paid for financing activities in respect of long–term loan draw down of Baht 421.39 million and longterm loan repayment of Bath 900.00 million.

As at March 31, 2010, the Company and its subsidiaries had a net decrease in cash and cash equivalents of Baht 1,059.17 million from previous year. The change was due to an decrease in net cash from operating activities amounting to Baht 151.07 million, which was explained by the amount of operating profit before changes in operating assets and liabilities of Baht 1,023.53 million, and an increase in changes in operating assets and liabilities of Baht 1,162.60 million largely due to the addition in inventory and trade accounts payable as well as a decrease in trade accounts receivable. With respect to investing activities, a net cash flow of Baht 1,020.24 million was largely for additional investment in fixed assets while net cash of Baht 112.15 million was received for financing activities in respect of longterm loan draw down of Baht 751.81 million and long-term loan repayment of Bath 625.00 million.

As at March 31, 2009, the Company and its subsidiaries had a net increase in cash and cash equivalents of Baht 553.53 million. The change was due to an increase in net cash from operating activities amounting to Baht 2,575.82 million, which was explained by the amount of operating profit before changes in operating assets and liabilities of Baht 1,156.75 million, and a decrease in changes in operating assets and liabilities of Baht 2,382.43 million largely due to reduction in trade accounts receivable, increase in trade accounts payable, tax paid and interest paid of Bath 963.36 million. With respect to investing activities, a net cash flow of Baht 2,707.11 million was largely for additional investment in fixed assets while net cash of Baht 684.82 million was received for financing activities in respect of long–term loan draw down of Baht 2,075.50 million long-term loan repayment of Baht 600.00 million and payment dividend of Baht 640.04 million.

The Company's current ratio was good, as evidenced by its 2.98 times, 2.21 times and 1.91 times during the year ending March 2009, 2010 and 2011, respectively. This was resulting of cash flow from operating. The liquidity trend decreased due to an increase in account payable from Mini Blast Furnace material purchasing.

Sources of Capital Fund

Appropriateness of capital structure

As at March 31, 2011, the Company and its subsidiaries' debt to equity ratio of 0.65 times as same as last year.

Shareholders' equity

As at March 31, 2011, the Company and its subsidiaries had shareholders' equity of Baht 15,113.85 million consisting of the paid-up capital from ordinary shares and preferred shares totaling Baht 11,680.16 million, accounting for 77% of its shareholders' equity. The retained earnings was Baht 3,010.51 million and the legal reserve increased to Baht 286.94 million.

Liabilities

As at March 31, 2011, the Company and its subsidiaries had liabilities amounting to Baht 9,799.38 million consisting of current liabilities of Baht 4,879.42 million and Baht 4,919.96 million for non-current liabilities, representing 49% and 51% of total liabilities, respectively. Non-current liabilities included long-term loan from financial institutions of Baht 4,325.00 million, payable as a result of debt restructuring of Baht 186.90 million, long-term loan from related parties of Baht 270.60 million and other liabilities of Baht 137.46 million.

The Company and its subsidiaries has cancelled the existing credit loan for working capital and entered into the credit facility agreements with the new financial institution consist of six domestic institutions and another two foreign institutions. The credit limit total of Baht 2,430 million and Baht 670 million, respectively. The interest rate of credit facility were classified as following: overdrafts line of credit compute with Minimum Overdraft Rate (MOR) interest rate for overdraft, interest rate for Promissory Notes (P/N) was compute at Monthly Mean Rate (MMR) the same as those of the remaining working capital lines which included Trusts Receipt (T/R).

On November 29, 2006, the Company entered into two long-term credit facilities agreements with two commercial banks. The facilities included long-term loan agreement for refinance of existing long-term loan of the Company and its subsidiaries which was due in seven years from the date of the first drawdown totaling Baht 5,000 million. The interest rate was at the average MLR -1.25% per annum. The other facility amounting to Baht 3,100 million was working capital facilities, with Minimum Overdraft Rate (MOR) interest rate for overdraft, whereas interest rate for Promissory Notes was MMR the same as those of the remaining working capital lines which included Trusts Receipt (T/R).

In addition, under the said two long-term credit facilities agreements, the Company must maintain its financial ratios in accordance with the covenants in that Interest Coverage Ratio were no less than 1.0 time and 1.2 times and Debt to Equity Ratio was no higher than 1.5 times and 2 times, respectively for each agreement.

As at March 31, 2011 the Interest Coverage Ratio was 0.21 times less than bank's covenants. However, Banks have given consent letter for waiver for Mach 31,2011. Debt to Equity Ratio was 0.65 times.

The collateral under long-term credit facilities with two commercial banks were NTS's land, building, construction, machinery, excluding its Mini Blast Furnace Project's assets, and assignment of insurance of its three subsidiaries, in proportion to the credit line from each commercial bank.

On November 9, 2007, the Company entered into two long-term credit facilities agreements with two commercial banks. The facilities included long-term loan agreement for investment in the Mini Blast Furnace project, which was due in 7 years from the date of the first drawdown totaling Baht 3,500 million. The interest rate was at the average MLR -2.0% per annum. In addition, under the said two long-term credit facilities agreements, the Company

must maintain its financial ratios in accordance with the covenants in that Interest Coverage Ratio were no less than 1.0 time and Debt to Equity Ratio was no higher than 2.0 times, respectively for each agreement, for the year ended March 31, 2011 and 2010, the Company has withdrawn loans totaling baht 3,500 million and Baht 3,079 million, respectively.

As at March 31, 2011 the Interest Coverage Ratio was 0.21 times less than bank's covenants. However, Banks have given consent letter for waiver for Mach 31, 2011. Debt to Equity Ratio was 0.65 times.

The collateral under long-term credit facilities with two commercial banks were NTS's land, building, construction, machinery and assignment of insurance of its Mini Blast Furnace Project, in proportion to the credit line from each commercial bank.

On November 2010, the Company made the supplement to the loan agreement in order to extend the first repayment for one more year, starting from November 2010 to August 2015

Major factors potentially affecting its operation and financial status in the future

Contingent Liabilities potentially affecting its operation and financial status in the future

As of March 31, 2011, the Company had contingent liabilities as follows :

1. Its subsidiaries had Letter of Credit (L/ C) amounting to Baht 182 million opened but were not under the liabilities' condition.

2. Its subsidiaries had obligations under the purchase and installation agreement of machineries totaling of Baht 755 million.

3. Commitments on purchase and installation of machinery amounting Baht 315 million of guarantee issued by the commercial banks to government as at March 31,2011 and 2010.

4. The Company and its subsidiaries had obligations under lease agreements (including service fees) amounting to Baht 138 million, which can be classified by term as follows: within one year of Baht 41 million, over one year up to five years of Baht 70 million, and over five years of Baht 27 million.

Other factors potentially affecting Company's operation and financial status in the future

Other factors that may affect Company's operation and financial status in the future are shown as the risk in item "Risk Factors", on page 21 and item "Notes to Financial Statements", No. 26 Re : Financial Instruments.

Auditor remuneration

Audit Fee

For the period April 2010 - March 2011, the Company and its subsidiaries paid audit fees of Baht 4,080,000.

Non-audit Fee

For the period of April 2010 - March 2011, the Company and its subsidiaries paid fee of Baht 1,430,000 to its auditor, the audit firm affiliated with the auditor, individuals or business entities related to the auditor and its affiliated audit firm. In addition, there were no other fees to be paid in the future due to incomplete transactions incurred in current period.

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR 2010-2011

Dear Shareholders :

The Audit Committee comprises three independent directors who are neither officers nor employees of the Company. In 2010-2011, each committee member performed his/ her duties according to the charter as designated by the Board. More importantly, the Committee carried out its supervisory tasks pursuant to the regulations concerning Audit Committee responsibilities and compliance with the good corporate governance principles recommended by the Stock Exchange of Thailand. For the year of 2010-2011, the Committee held four meetings. Before the deliberation on various matters in the agenda of each meeting, management were invited to attend the meetings for the discussions and monitoring of issues related to operating performance, risk management, internal control and internal audit as well as general management matters which may affect the Company's operation. These are summarized as follows :

1. Supervision and review of the quarterly and annual financial statements for the year 2010-2011

The Audit Committee supervised and reviewed the financial statements to ensure that they were prepared and presented accurately, completely, and timely; and that adequate information were disclosed in conformity with the accounting standards prescribed in the Accounting Act B.E. 2543 as well as the notifications of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. Auditors and management were requested to provide relevant information and respond to queries on reasons for variations in financial data. The Committee received satisfactory clarifications from the management, internal auditor, and the statutory auditor, and it thereby endorsed the financial statements as certified by the statutory auditor for further deliberation by the Board of Directors.

2. Supervision of risk management

The Audit Committee supervised and reviewed risk management practices of the Company and its subsidiaries as well as performed assessment of risk management processes in conformity with the Stock Exchange of Thailand and international standards. The Committee also reviewed risk management guidelines of the Company and constantly monitored risk management activities as required. The Audit Committee believes that the risks were still at an acceptable level.

3. Review of good corporate governance compliance

The Audit Committee reviewed compliance to good corporate governance principles, disclosed information, and supervised transactions pertaining to related parties pursuant to the notifications of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand as well as applicable laws and government regulations. There were no events reported of significant non-compliance with good corporate governance practices.

4. Supervision of internal control

The Audit Committee regularly reviewed the internal control system of the Company. The internal control weaknesses reported by the internal auditors and recommendations thereof have been/ are being satisfactorily implemented and are regularly monitored by the Audit Committee.

5. Supervision of internal audit

Since the second half of the year 2009 - 2010, the Company established its own Internal Audit Office, which is also under the supervision of the Committee, to carry-out assignments for the succession on internal audit of the Company and its subsidiaries. For the internal audit of the year 2010-2011, the Committee supervised, reviewed and evaluated on a quarterly basis the performance of the Internal Audit Office, based on the approved plan. Most audit observations entailed improvements in efficiency and controls in the areas of procurement and payables process, sales, marketing and distribution, inventory management, compliance process, accounts and finance and SAP post implementation. The Committee further supervised the implementation of the recommendations made by the Internal Auditors.

6. Consideration for the appointment of auditors

The Audit Committee considered that in 2010-2011, the Company's auditor satisfactorily performed its duties to the Company in accordance with the accounting standards set by the Stock Exchange of Thailand. The Committee, therefore, resolved to propose to the Board of Directors to present to the shareholders for approval at the shareholders' meeting on the appointment of Mr. Manoon Manusook or Ms. Nachalee Boonyakarnkul or Mr. Montree Panichakul of Deloitte Touche Tomatsu Jaiyos Audit Company Limited as the auditor of the Company and its subsidiaries for the fiscal year of 2011-2012, commencing on April 1, 2011 and ending on March 31, 2012.

In conclusion, the Audit Committee believes that the Company upholds good corporate governance policies by monitoring and evaluating results of agreed operational plans, rendering the internal control system of the Company to be sufficiently efficient without any material deficiencies. As for related transactions which might entail conflict of interest, they were actual transactions reasonably arose from the normal course of business and conducted for optimal benefits according to the Company's policy. These transactions were duly conducted in conformity with prescriptions, laws, and regulations of concerned agencies. In addition, the financial statements for the year ending March 31, 2011 were properly prepared and relevant information was disclosed adequately pursuant to the accounting standards as set by Federation of Accounting Profession. No events were found to indicate problems or transactions with significant financial impact.

Bangkok, April 28, 2011
On Behalf of the Audit Committee



Kriang Kiatfuengfoo
Chairman of the Audit Committee

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board of Directors of the Company is responsible for the financial statements of Tata Steel (Thailand) Public Company Limited and subsidiaries, including financial information disclosed in the annual report for the year 2010 - 2011, which have been prepared in accordance with generally accepted accounting principles prevailing in Thailand, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. The policies pursued are appropriate and applied consistently with regard to reasonableness and careful preparation. Important information is also adequately and transparently disclosed in the notes to financial statements for the company's shareholders and investors.

The Board has appointed an Audit Committee comprising independent directors to supervise and review the financial statements as well as to assess the internal control and risk management systems to ensure that accounting records are accurate, complete, and timely to prevent frauds or unusual operations. The views of the Audit Committee are reported in the Report of the Audit Committee for 2010 - 2011 in the annual report herein presented.

The Board believes that the internal control system of the Company, in general, is adequate to assure that the financial statements of Tata Steel (Thailand) Public Company Limited and subsidiaries present, in all material respects, the financial positions, results of operations, and cash flows accurately.

Bangkok, March 31, 2011



Hemant Madhusudan Nerurkar
Chairman



Laptawee Senavonge
President

FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To The Shareholders And Board Of Directors
Tata Steel (Thailand) Public Company Limited

We have audited the consolidated balance sheets of Tata Steel (Thailand) Public Company Limited and its subsidiaries and the separate balance sheets of Tata Steel (Thailand) Public Company Limited as at March 31, 2011 and 2010, the related consolidated and the separate statements of income, change in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and the separate financial statements present fairly, in all material respects, the financial position of Tata Steel (Thailand) Public Company Limited and its subsidiaries and of Tata Steel (Thailand) Public Company Limited as at March 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.



Montree Panichakul
Certified Public Accountant (Thailand)
Registration No. 3461
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
May 3, 2011

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS
AS AT MARCH 31, 2011 AND 2010

BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2011	2010	2011	2010
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		810,990,188	2,092,735,357	701,319,195	1,986,224,417
Trade accounts receivable					
Related parties	23	238,352,426	52,087,661	-	-
Others - net	5	1,027,886,958	829,613,318	-	-
Receivables from related parties	23	2,710,400	431,236	44,861,267	50,645,080
Short-term loans to related parties	23	-	-	4,089,727,644	3,592,690,085
Current portion of long-term loans to related party	23	-	-	780,000,000	755,920,381
Inventories - net	6	6,917,795,116	6,461,047,723	-	-
Value added tax refundable		156,231,097	431,599,548	-	-
Other current assets		151,933,345	307,045,322	80,211,413	85,153,460
Total Current Assets		9,305,899,530	10,174,560,165	5,696,119,519	6,470,633,423
NON-CURRENT ASSETS					
Investments in shares of subsidiaries	7	-	-	10,245,083,591	10,245,083,591
Investment in warrants of subsidiary		-	-	57,275,500	57,275,500
Investment in shares of other company		1,241	1,241	-	-
Other long-term investment		2,500,000	2,000,000	-	-
Long-term loan to related party	23	-	-	5,620,000,000	5,222,686,286
Property, plant and equipment - net	8	10,353,379,284	11,407,828,772	32,987,278	41,359,381
Computer software - net	9	184,772,805	209,099,589	181,476,304	205,382,020
Goodwill - net	10	4,116,337,558	4,116,337,558	-	-
Deferred tax assets	11	743,316,197	521,501,610	10,093,482	9,646,241
Other non-current assets	12	207,026,276	83,512,526	32,965,980	7,905,823
Total Non-Current Assets		15,607,333,361	16,340,281,296	16,179,882,135	15,789,338,842
TOTAL ASSETS		24,913,232,891	26,514,841,461	21,876,001,654	22,259,972,265

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (CONTINUED)
AS AT MARCH 31, 2011 AND 2010

BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2011	2010	2011	2010
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	13	-	2,280,185	-	-
Trade accounts payable					
Related parties	23	1,352,915,640	438,149,941	-	-
Others		1,472,021,150	2,345,809,449	-	-
Current portion of long-term loans	13	1,300,000,000	875,920,381	1,300,000,000	875,920,381
Current portion of liabilities under finance lease agreements	15	57,749	10,302,964	2,077	10,036,652
Payables to related parties	23	19,896,584	13,871,833	9,307,147	14,614,222
Short-term loans from related party	23	-	-	806,216,241	704,075,609
Income tax payable		62,090,976	88,645,268	-	1,184,190
Accrued expenses		309,401,945	471,576,224	23,434,264	44,826,098
Other current liabilities		363,032,612	363,199,676	13,090,500	19,498,020
Total Current Liabilities		4,879,416,656	4,609,755,921	2,152,050,229	1,670,155,172
NON-CURRENT LIABILITIES					
Long-term loans	13	4,325,000,000	5,227,686,286	4,325,000,000	5,227,686,286
Trade accounts payable of subsidiary arising from restructuring	14	186,903,192	186,903,192	-	-
Long-term debt from related party	23	270,596,275	270,596,275	270,596,275	270,596,275
Provision for employee retirement benefits	17	137,462,308	126,305,740	33,644,939	32,154,135
Liabilities under finance lease agreements	15	5,521	63,270	-	2,077
Total Non-Current Liabilities		4,919,967,296	5,811,554,763	4,629,241,214	5,530,438,773
TOTAL LIABILITIES		9,799,383,952	10,421,310,684	6,781,291,443	7,200,593,945

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (CONTINUED)
AS AT MARCH 31, 2011 AND 2010

BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2011	2010	2011	2010
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
Share capital	18				
Authorised share capital					
Preferred shares					
252,773,225 preferred shares of Baht 1 each		252,773,225	252,773,225	252,773,225	252,773,225
Ordinary shares					
10,772,806,348 ordinary shares of Baht 1 each		10,772,806,348	10,772,806,348	10,772,806,348	10,772,806,348
Issued and paid-up share capital					
Preferred shares					
252,773,225 preferred shares of Baht 1 each, fully paid		252,773,225	252,773,225	252,773,225	252,773,225
Ordinary shares					
8,168,767,623 ordinary shares of Baht 1 each, fully paid		8,168,767,623	8,168,767,623	8,168,767,623	8,168,767,623
Share premium					
Preferred shares		127,849,137	127,849,137	127,849,137	127,849,137
Ordinary shares		3,130,775,629	3,130,775,629	3,130,775,629	3,130,775,629
Warrants		130,201,936	130,201,936	130,201,936	130,201,936
Unrealised gain on investment		2,491,500	1,993,200	-	-
Retained earnings					
Legal reserve		286,943,671	285,177,076	286,943,671	285,177,076
Unappropriated		3,010,510,020	3,988,279,318	2,997,398,990	2,963,833,694
TOTAL SHAREHOLDERS' EQUITY OF THE PARENT COMPANY		15,110,312,741	16,085,817,144	15,094,710,211	15,059,378,320
Minority interest		3,536,198	7,713,633	-	-
TOTAL SHAREHOLDERS' EQUITY		15,113,848,939	16,093,530,777	15,094,710,211	15,059,378,320
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		24,913,232,891	26,514,841,461	21,876,001,654	22,259,972,265

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
AS AT MARCH 31, 2011 AND 2010

BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2011	2010	2011	2010
Revenue from sales		26,761,717,964	22,421,747,952	-	-
Cost of sales		(26,858,626,7280)	(21,714,740,641)	-	-
Gross profit (loss)		(96,908,764)	707,007,311	-	-
Other income					
Interest income		8,177,579	17,604,872	359,088,521	430,658,304
Gain on exchange rate - net		-	39,957,864	-	19,528
Other	20	49,745,657	41,074,212	324,437,691	270,469,803
Profit (loss) before expenses		(38,985,528)	805,644,259	683,526,212	701,147,635
Selling expenses		(219,496,330)	(196,536,902)	(7,794,485)	(14,070,136)
Administrative expenses		(483,683,969)	(493,634,598)	(344,226,301)	(351,294,578)
Directors' remuneration		(9,833,449)	(10,427,813)	(9,833,449)	(10,427,813)
Loss on exchange rate - net		(25,631,432)	-	(104,573)	-
Total expenses		(738,645,180)	(700,599,313)	(361,958,808)	(375,792,527)
PROFIT (LOSS) BEFORE FINANCE COSTS AND INCOME TAX EXPENSE		(777,630,708)	105,044,946	321,567,404	325,355,108
Finance costs		(282,877,874)	(148,582,752)	(274,960,860)	(269,693,144)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE		(1,060,508,582)	(43,537,806)	46,606,544	55,661,964
Income tax (expense) benefit	11	80,326,744	(12,750,524)	(11,274,653)	(14,193,035)
NET PROFIT (LOSS)		(980,181,838)	(56,288,330)	35,331,891	41,468,929
PROFIT (LOSS) ATTRIBUTABLE TO					
Shareholders of parent company		(976,002,703)	(54,400,985)	35,331,891	41,468,929
Minority interest		(4,179,135)	(1,887,345)	-	-
		(980,181,838)	(56,288,330)	35,331,891	41,468,929
EARNINGS (LOSS) PER SHARE					
Basic	22 BAHT	(0.12)	(0.01)	0.00	0.00
Diluted	22 BAHT	(0.12)	(0.01)	0.00	0.00

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

BAHT

	Issued and paid-up share capital		Share premium		Warrants	Unrealised gain on investment	Retained earnings		Total shareholders' equity of the parent company	Minority interest	Total shareholders' equity
	Preferred shares	Ordinary shares	Preferred shares	Ordinary shares			Legal reserve	Unappro-priated			
Notes											
Balance as at April 1, 2009	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	1,096,260	283,103,630	4,044,753,749	16,139,321,189	9,597,918	16,148,919,107
Devaluation of investment	-	-	-	-	-	896,940	-	-	896,940	3,060	900,000
Net loss	-	-	-	-	-	-	-	(54,400,985)	(54,400,985)	(1,887,345)	(56,288,330)
Legal reserve	-	-	-	-	-	-	2,073,446	(2,073,446)	-	-	-
Balance as at March 31, 2010	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	1,993,200	285,177,076	3,988,279,318	16,085,817,144	7,713,633	16,093,530,777
Balance as at April 1, 2010	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	1,993,200	285,177,076	3,988,279,318	16,085,817,144	7,713,633	16,093,530,777
Devaluation of investment	-	-	-	-	-	498,300	-	-	498,300	1,700	500,000
Net loss	-	-	-	-	-	-	-	(976,002,703)	(976,002,703)	(4,179,135)	(980,181,838)
Legal reserve	-	-	-	-	-	-	1,766,595	(1,766,595)	-	-	-
Balance as at March 31, 2011	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	2,491,500	286,943,671	3,010,510,020	15,110,312,741	3,536,198	15,113,848,939

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

BAHT

	Issued and paid-up share capital		Share premium		Warrants	Unrealised gain on investment	Retained earnings		Total shareholders' equity
	Preferred shares	Ordinary shares	Preferred shares	Ordinary shares			Legal reserve	Unappro-priated	
Notes									
Balance as at April 1, 2009	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	-	283,103,630	2,924,438,211	15,017,909,391
Net profit	-	-	-	-	-	-	-	41,468,929	41,468,929
Legal reserve	-	-	-	-	-	-	2,073,446	(2,073,446)	-
Balance as at March 31, 2010	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	-	285,177,076	2,963,833,694	15,059,378,320
Balance as at April 1, 2010	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	-	285,177,076	2,963,833,694	15,059,378,320
Net profit	-	-	-	-	-	-	-	35,331,891	35,331,891
Legal reserve	-	-	-	-	-	-	1,766,595	(1,766,595)	-
Balance as at March 31, 2011	252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	-	286,943,671	2,997,398,990	15,094,710,211

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
Notes	2011	2010	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax	(1,060,508,582)	(43,537,806)	46,606,544	55,661,964
Adjustments :				
Gain on foreign exchange rate	(36,290,029)	(5,743,641)	-	(84)
Allowance for doubtful accounts (reversal)	(323,553)	5,906,984	-	-
Allowance for inventory obsolescence (reversal)	(5,043,859)	(3,184,836)	-	-
Depreciation and amortisation	1,096,121,983	885,818,703	36,380,209	33,936,805
Amortisation of rolling mill roll	36,385,130	39,250,524	-	-
Provision for employee retirement benefits	22,889,115	13,697,304	1,490,804	4,001,021
Interest income	(8,177,579)	(17,604,872)	(359,088,521)	(430,658,304)
Interest expense	282,877,874	148,582,752	274,960,860	269,693,144
Gain on sale of property, plant and equipment and intangible asset	(1,410,375)	(127,353)	-	(3,174)
Loss from writing off property, plant and equipment and intangible asset	78,773	470,550	25,193	-
	326,598,898	1,023,528,309	375,089	(67,368,628)
Increase in trade accounts receivable	(385,539,687)	(378,977,949)	-	-
(Increase) decrease in receivables from related parties	(2,279,163)	(46,349)	24,674,753	(19,297,694)
Increase in inventories	(488,088,664)	(1,411,252,929)	-	-
(Increase) decrease in other current assets	329,299,789	(333,639,691)	6,486,351	(77,481,939)
(Increase) decrease in other non-current assets	6,384,474	7,967,171	646,840	(203,856)
Increase in trade accounts payable	44,846,610	918,652,253	-	-
Increase (decrease) in payables to related parties	6,024,751	202,528,459	(6,367,059)	3,139,765
Increase (decrease) in accrued expenses, other current liabilities and non-current liabilities	(15,112,790)	179,865,509	(28,164,874)	23,647,591
Increase in provision for employee benefit	(11,732,546)	(11,992,979)	-	(7,384,471)
Interest paid	(282,876,010)	(148,638,022)	(273,899,013)	(269,748,413)
Income tax paid	(194,847,175)	(199,064,340)	(38,613,081)	(16,653,991)
Net cash used in operating activities	(667,321,513)	(151,070,558)	(314,860,994)	(431,351,636)

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2011	2010	2011	2010
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		6,633,275	17,604,872	338,653,277	430,658,304
Proceeds from sales of property, plant and equipment and intangible asset		1,907,550	228,625	-	82,020
Cash paid for purchases of property, plant and equipment		(130,810,595)	(1,030,089,756)	(2,842,327)	(2,681,650)
Cash paid for purchases of computer software		(940,500)	(7,989,547)	(921,600)	(5,881,053)
Increase (decrease) in short-term loans to related parties		-	-	(497,037,559)	(831,627,130)
Increase in long-term loans to related party		-	-	(421,393,333)	(751,807,106)
Net cash provided by (used in) investing activities		(123,210,270)	(1,020,245,806)	(583,541,542)	(1,161,256,615)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for finance lease agreements		(10,326,534)	(15,021,349)	(10,036,651)	(14,712,922)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions		(2,280,185)	364,173	-	(659,821)
Increase (decrease) in short-term loans from related party		-	-	102,140,632	490,039,309
Proceeds from long-term loans		421,393,333	751,807,106	421,393,333	751,807,106
Repayment of long-term loans		(900,000,000)	(625,000,000)	(900,000,000)	(625,000,000)
Net cash provided by (used in) financing activities		(491,213,386)	112,149,930	(386,502,686)	601,473,672
Net decrease in cash and cash equivalents		(1,281,745,169)	(1,059,166,434)	(1,284,905,222)	(991,134,579)
Beginning balance of cash and cash equivalents		2,092,735,357	3,151,901,790	1,986,224,417	2,977,358,996
ENDING BALANCE OF CASH AND CASH EQUIVALENTS		810,990,188	2,092,735,356	701,319,195	1,986,224,417

Notes to the financial statements form an integral part of these statements

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

1. GENERAL INFORMATION

Tata Steel (Thailand) Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at Shinawatra Tower 3, 22nd Floor, 1010 Viphavadi Rangsit Road, Chatuchak, Bangkok 10900 and the Company was listed on the Stock Exchange of Thailand in November 2002. The major group shareholders (hold 67.90%) is Tata Steel Limited Group. Tata Steel Limited, a listed company incorporated under the law of India on August 26, 1907, is one of the largest integrated steel manufacturers in India with a strong global customer's base

In Thailand, the Company's subsidiaries manufacture and distribute rebars, wire rods and small sections products. Sales of the subsidiaries are mainly local sales contributing 88% and 89% of the total sales for the years ended March 31, 2011 and 2010.

Details of the Company's subsidiaries are as follows :

	Type of business	Country of incorporation	Ownership interest (%)	
			As at March 31, 2011	As at March 31, 2010
The Siam Iron and Steel (2001) Company Limited	Manufacture steel bars, wire rods and small section products	Thailand	99.99	99.99
The Siam Construction Steel Company Limited	Manufacture steel bars	Thailand	99.99	99.99
N.T.S. Steel Group Public Company Limited	Manufacture steel bars and wire rods	Thailand	99.66	99.66

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with accounting standards and practices generally accepted in Thailand.

The financial statements of the Company for the years ended March 31, 2011 and 2010 are prepared in compliance with the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements B.E. 2552" dated January 30, 2009. In addition, the Company financial statements have been prepared in accordance with the Regulation of The Stock Exchange of Thailand (SET) date January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544

Accounting standards announced but not effective

The Federation of Accounting Professions issued the Notifications regarding the new and revised Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Standard Interpretations (TSI) and Thai Financial Reporting Interpretation (TFRI), which are not yet effective for the current period as follows:

a) TAS, TFRS, TSI and TFRI which are effective for the financial statements of period beginning on or after on January 1, 2011 :

TAS

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Venture
TAS 33 (Revised 2009)	Earnings Per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property

TFRS

TFRS 2	Share-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

TSI

TSI 31	Revenue - Barter Transactions Involving Advertising Services

TFRI

TFRI 15	Agreements for the Construction of Real Estate

b) TAS and TSI which are effective for the financial statements of period beginning on or after January 1, 2013 :

TAS

TAS12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

TSI

TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management will adopt the above TAS, TFRS, TST and TFRI relevant to the Company in the preparation of Company's financial statements when they become effective. The Company's management has assessed the effects of these standards on the financial statements for the period in which they are initially applied. However, the Company has elected to early adopted TAS 12 "Income Tax" and TAS 19 "Employee Benefit".

In addition, the Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 49/2553 dated November 24, 2010 that have been announced in the Royal Gazette on December 15, 2010, regarding the renumbering of certain TAS. The numbers of TAS as referred to in these financial statements comply with such Notification.

The consolidated financial statements for the years ended March 31, 2011 and 2010 did not include profit/loss sharing in equity of Siam Steel Mill Services Company Limited, held by a subsidiary on 24% of its shareholders' equity. The Company recorded such investment as investment in shares of other company because the Company has no significant influence on Siam Steel Mill Services Company Limited.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies are as follows:

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Significant intra-group transactions between the Company and its subsidiaries are eliminated on consolidation.

Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Business combinations

Business combinations are accounted for using the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and all types of deposits at financial institutions, including fixed deposit of not more than 3 months; which excluding deposit at financial institutions used as colleteral.

3.3 Trade accounts receivable

Trade accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The determination of the allowance for doubtful accounts requires the use of various assumptions and judg ments by the management, which includes the estimated collection losses on receivables, based on the Company's collection experience together with a review of the financial position of the debtors. The management reviews these estimates and assumptions on a regular basis.

3.4 Inventories

Inventories are stated at the lower of cost or net realisable value.

The cost of inventories are calculated using the following formula:

Finished goods and goods in process	- at weighted average cost
Merchandise, Raw materials, spare parts, supplies and others	- at weighted average cost

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and goods in progress, cost includes an appropriate share of overheads based on normal production capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.5 Investments

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are stated at cost net of allowance for impairment losses (if any).

Investments in other equity securities

Marketable equity securities other than those securities held for trading, are classified as being available for-sale securities and are stated at fair value, with any resultant gain or loss being recognised directly in equity.

Equity securities which are not marketable are stated at cost net of allowance for impairment (if any).

The fair value of marketable securities are determined as the last quoted bid price at the balance sheet date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in the statement of income.

3.6 Property, plant and equipment

Land is stated of cost less allowance for impairment (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows :

Land improvements, buildings and structures	5 - 25 Years
Machinery and equipment	5 - 25 Years
Transportation equipment	5 - 10 Years
Furniture, fixtures and office equipment	3 - 20 Years

No depreciation is provided on freehold land or assets under construction.

3.7 Computer software

Computer software are stated at cost less accumulated amortisation and allowance for impairment (if any).

Amortisation

Amortisation is charged to the statement of income on a straight-line basis over the estimated useful life of computer software of 10 years.

3.8 Goodwill

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill is stated at cost less accumulated amortisation and allowance for impairment. Goodwill arising on acquisition of shares in subsidiaries in the separate financial statements is included in investments.

Amortisation

The Company ceased amortisation of Goodwill and changed to testing effective April 1, 2008 for impairment of Goodwill instead.

3.9 Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Intangible asset with indefinite useful lives is tested for impairment annually and when indicators of impairment are identified.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of income.

Calculation of recoverable amount

The recoverable amount is the greater of the assets' net selling price or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recover able amount. However, an impairment loss in respect of goodwill is not reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Employee benefits

Provident funds

Obligations for contributions to provident fund are recognised as an expense in the statement of income as incurred.

Employee retirement benefits

The Group's obligations in respect of employee retirement benefits are calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefits are discounted to determine their present value. The calculation is performed by an independent actuary using the projected unit credit method.

3.11 Long-term lease

Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor is accounted for as operating lease. Rentals applicable to such operating leases are charged to the statement of income.

Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as a finance lease. The Company capitalised the equipment at the lower of estimated present value of the underlying lease payments or at the fair value of the equipment at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognised by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognised as expenses in the statement of income.

3.12 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods

Revenue is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Interest income

Interest income is recognised in the statement of income as it accrues.

3.13 Expenses

Finance costs

Interest expense and similar expenses are charged to the statement of income in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.14 Income tax

Income tax expense (benefit) is based on the taxable profit multiplied by the tax rate that has been enacted at the balance sheet date and adjusted by the effect of deferred income tax accounting.

Deferred tax assets and liabilities result from temporary differences between the carrying amounts of assets or liabilities in the balance sheet and their tax bases. The Company recognises deferred tax liabilities for all taxable temporary differences and recognises deferred tax assets for deductible temporary differences and tax losses carried forward. The Company recognises deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each balance sheet date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax expenses are charged or credited in the statement of income, except when the temporary differences relate to items credited on charged directly to equity, in which case the deferred tax is also recorded in equity.

3.15 Foreign currency transactions

Assets and liabilities denominated in foreign currencies are translated into Baht at rates of exchange prevailing at the transaction dates. All balance of assets and liabilities in foreign currencies at the end of the year, except Forward Foreign Exchange Contracts, are converted into Baht at the reference exchange rates established by the Bank of Thailand on that date. Gains and losses on foreign exchange are recognised as an income or expenses in the statement of income.

The Company has adopted a policy to cover foreign exchange exposure by entering into forward exchange contracts with banks for a certain portion of its assets and liabilities in foreign currencies. The Company recognises gain or loss from the adjustment in the value of such forward contracts incurred from the difference between the forward contract rate and marked-to-market rate for the remaining period of forward exchange contracts at the balance sheet date as income or expense in the statement of income.

3.16 Financial instruments

The Company entered into Forward Foreign Exchange Contracts Agreement in asset and liability management activities to control exposure to fluctuations in foreign exchange rates. Further details of financial instruments are disclosed in Notes 26 and 27.

Gains and losses on forward foreign exchange contracts designated as hedges of existing assets and liabilities are recognised as income or expense in the statements of income.

Gains and losses on forward foreign exchange contracts designated as hedges that are attributable to construction are capitalised as part of construction in progress.

Amounts to be paid and received are offset in the balance sheet.

The Company has no policy to speculate in or engage in the trading of any derivative financial instruments.

3.17 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management's reasonable consideration ocurrent events, actual results may differ from these estimates.

3.17.1 Critical judgments in applying accounting policies are as follows:

Impairment

The Group's assets are reviewed at each balance sheet date to the determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognised to the extent that it is probable that it will be utilized in the future. Such an assessment is based upon (1) management's review of forecast financial information for at least five years, and (2) management have assessed it to be probable that the Company will generate taxable income sufficient to fully utilise the tax losses that exist.

3.17.2 Key sources of estimation uncertainty are as follow :

Employee retirement benefits

The Group's obligations in respect of employee retirement benefits are calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; the benefits are discounted to determine their present value. The calculation is performed by an independent actuary using the projected unit credit method.

4. Supplementary disclosures of cash flow information

4.1 Non-cash transactions in the consolidated and separate financial statements for the years ended March 31, 2011 and 2010 are as follows:

- The recording of investment in available-for-sale security at fair value and recognising unrealised gain on such investment of Baht 0.5 million and Baht 0.9 million, respectively.
- Non cash item from purchases and increase of property, plant and equipment and intangible asset for the years ended March 31, 2011 and 2010 as follows :

Unit : Thousand Baht

	Consolidated financial statements	
	2011	2010
Payable for fixed assets and intangible asset brought forward	160,882	59,826
Add Purchase during the years	81,018	1,154,157
Less Cash payment during the years	(131,751)	(1,038,079)
Less Cash payment for finance lease agreements	(10,326)	(15,021)
Less Reversal of accrued expenses for fixed assets	(61,252)	-
Payable for fixed assets and intangible asset carried forward (included in other current liabilities and accrued expenses)	38,571	160,883

Unit : Thousand Baht

	Consolidated financial statements	
	2011	2010
Payable for fixed assets and intangible asset brought forward	14,236	24,760
Add Purchase during the years	4,128	12,753
Less Cash payment during the years	(3,764)	(8,563)
Less Cash payment for finance lease agreements	(10,037)	(14,713)
Payable for fixed assets and intangible asset carried forward (included in other current liabilities and accrued expenses)	4,563	14,237

4.2 For the years ended March 31, 2011 and 2010, the Group had paid retirement benefit in the consolidated financial statements of Baht 11.73 million and Baht 11.99 million, respectively and for the separated financial statement of Baht 7.38 million (2010: none)

5. Trade accounts receivable, others - net

Trade accounts receivable, others - net as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Within credit terms	1,014,893	789,809	-	-
Overdue:				
Less than 3 months	12,994	1,402	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	42,669	-	-
Over 12 months	696,692	692,749	-	-
Total	1,724,579	1,526,629	-	-
Less Allowance for doubtful accounts	(696,692)	(697,016)	-	-
Net	1,027,887	829,613	-	-

The Company and its subsidiaries has a Receivable Purchase Agreement with a financial institution which all risks and rewards have been transferred to the buyer. For the years ended March 31, 2011 and 2010, the Company and its subsidiaries had sold receivables to the financial institution amounting to Baht 7,786 million and Baht 6,892 million, respectively. The discount and other related fees included in administrative expenses are Baht 19 million and Baht 13 million, respectively.

6. Inventories - net

Inventories - net as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Finished goods	1,043,342	1,015,340	-	-
Goods in process	942,521	949,268	-	-
Raw materials	3,011,086	2,835,729	-	-
Spare parts	857,503	802,351	-	-
Supplies and others	534,863	566,344	-	-
Raw materials in transit	590,809	359,389	-	-
Total	6,980,124	6,528,421	-	-
Less Allowance for obsolescence and slow-moving items	(62,329)	(67,373)	-	-
Net	6,917,795	6,461,048	-	-

The amounts of inventories recognised as an expense in the consolidated financial statements for the years ended March 31, 2011 and 2010 includes reversal of allowance for obsolescence and slow-moving items of Baht 5 million and Baht 3 million, respectively.

The amounts of inventories recognised as an expense in the consolidated financial statements for the years ended March 31, 2011 and 2010 amount Baht 26,859 million and Baht 21,715 million, respectively.

7. Investments in shares of subsidiaries

Investments in shares of subsidiaries as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	The separate financial statements							
	Ownership interest (%)		Paid-up capital		Investments at cost		Dividend income	
	2011	2010	2011	2010	2011	2010	2011	2010
Subsidiaries								
The Siam Iron and Steel (2001) Company Limited	99.99	99.99	120,000	120,000	2,554,386	2,554,386	-	-
The Siam Construction Steel Company Limited	99.99	99.99	1,750,000	1,750,000	3,656,874	3,656,874	-	-
N.T.S. Steel Group Public Company Limited	99.66	99.66	3,253,399	3,253,399	4,033,824	4,033,824	-	-
Total			5,123,399	5,123,399	10,245,084	10,245,084	-	-

8. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	Consolidated financial statements				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Cost					
Land, land improvement, building and structure	5,090,864	495	(300)	6,621	5,097,680
Plant machinery and equipment	14,373,267	17,120	(5,753)	192,685	14,577,319
Transportation equipment	4,097	-	(863)	234	3,468
Furniture fixtures and office equipment	147,490	6,696	(2,168)	3,611	155,629
Total cost	19,615,718	24,311	(9,084)	203,151	19,834,096
Accumulated depreciation					
Land improvement, building and structure	(1,939,710)	(170,387)	270	(1,769)	(2,111,596)
Plant machinery and equipment	(6,452,573)	(881,526)	5,306	(36)	(7,328,829)
Transportation equipment	(3,690)	(212)	863	(4)	(3,043)
Furniture fixtures and office equipment	(76,412)	(19,556)	2,069	(35)	(93,934)
Total accumulated depreciation	(8,472,385)	(1,071,681)	8,508	(1,844)	(9,537,402)
Construction in progress and machinery and equipment under installation	264,496	56,649	(61,252)	(203,208)	56,685
Property, plant and equipment - net	11,407,829				10,353,379

Unit : Thousand Baht

	Consolidated financial statements				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Cost					
Land, land improvement, building and structure	5,056,669	427,465	(1,317,810)	924,540	5,090,864
Plant machinery and equipment	12,173,943	461,325	(70,988)	1,808,987	14,373,267
Transportation equipment	4,454	-	(357)	-	4,097
Furniture fixtures and office equipment	193,424	19,573	(74,027)	8,520	147,490
Total cost	17,428,490	908,363	(1,463,182)	2,742,047	19,615,718
Accumulated depreciation					
Land improvement, building and structure	(3,028,571)	(130,640)	1,317,809	(98,308)	(1,939,710)
Plant machinery and equipment	(5,904,969)	(716,814)	70,902	98,308	(6,452,573)
Transportation equipment	(3,873)	(173)	356	-	(3,690)
Furniture fixtures and office equipment	(135,254)	(14,840)	73,682	-	(76,412)
Total accumulated depreciation	(9,072,667)	(862,467)	1,462,749	-	(8,472,385)
Construction in progress and machinery and equipment under installation	2,773,439	233,721	(138)	(2,742,526)	264,496
Property, plant and equipment - net	11,129,262				11,407,829
Depreciation for the years					
2011					1,071,681
2010					862,467

Unit : Thousand Baht

	The separate financial statements				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Cost					
Furniture fixtures and office equipment	63,326	2,485	(336)	-	65,475
Total cost	63,326	2,485	(336)	-	65,475
Accumulated depreciation					
Furniture fixtures and office equipment	(21,967)	(12,436)	310	-	(34,093)
Total accumulated depreciation	(21,967)	(12,436)	310	-	(34,093)
Equipment under installation	-	1,605	-	-	1,605
Property, plant and equipment - net	41,359				32,987

Unit : Thousand Baht

	The separate financial statement				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Cost					
Furniture fixtures and office equipment	52,531	2,787	(268)	8,276	63,326
Total cost	52,531	2,787	(268)	8,276	63,326
Accumulated depreciation					
Furniture fixtures and office equipment	(11,138)	(11,017)	188	-	(21,967)
Total accumulated depreciation	(11,138)	(11,017)	188	-	(21,967)
Equipment under installation	8,755	-	-	(8,755)	-
Property, plant and equipment - net	50,148				41,359
Depreciation for the years					
2011					12,436
2010					11,017

Cost of fully depreciated plant and equipment that are still in use as at March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Cost of fully depreciated plant and equipment	2,612,406	2,817,239	1,603	1,697

As at March 31, 2011 and 2010, there are office equipment under finance lease agreements of the Company and the subsidiaries included in the property, plant and equipment as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Cost of asset under finance lease agreements	44,447	44,615	43,582	43,582
Less Accumulated depreciation	(25,926)	(17,120)	(25,457)	(16,740)
Asset under finance lease agreements - net	18,521	27,495	18,125	26,842

Property, plant and equipment of The Siam Iron and Steel (2001) Co, Ltd, The Siam Construction Steel Co., Ltd. and N.T.S. Steel Group Plc. which have net book value of Baht 4,606 million as at March 31, 2011 (Baht 5,823 million as at March 31, 2010) are used as collateral for the loans (comprising long-term loans and short-term loans from two local banks). The loans contain restrictions on financial ratios, shareholders' structure, etc.

9. Computer software - net

Computer software - net as at March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidate financial statement				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Computer software	248,774	57	-	58	248,889
Less Accumulated amortisation	(39,674)	(24,442)	-	-	(64,116)
Computer software - net	209,100				184,773

Unit : Thousand Baht

	Consolidate financial statement				
	Balance as at March 31 2009	Addition	Disposal	Transfer	Balance as at March 31, 2010
Computer software	236,575	12,073	(511)	637	248,774
Less Accumulated amortisation	(16,833)	(23,352)	511	-	(39,674)
Computer software under installation	158	-	-	(158)	-
Computer software - net	219,900				209,100

Amortisation for the years

2011	24,442
2010	23,352

Unit : Thousand Baht

	The separate financial statement				
	Balance as at March 31 2010	Addition	Disposal	Transfer	Balance as at March 31, 2011
Computer software	239,421	38	-	-	239,459
Less Accumulated amortisation	(34,039)	(23,943)	-	-	(57,982)
Computer software - net	205,382				181,477

Unit : Thousand Baht

	The separate financial statement				
	Balance as at March 31 2009	Addition	Disposal	Transfer	Balance as at March 31, 2010
Computer software	228,818	9,966	-	637	239,421
Less Accumulated amortisation	(11,119)	(22,920)	-	-	(34,039)
Computer software under installation	158	-	-	(158)	-
Computer software - net	217,857				205,382

Amortisation for the years

2011	23,943
2010	22,920

Cost of fully amortised computer software that is still in use as at March 31, 2011 and 2010 as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Cost of fully amortised computer software	4,750	119,626	-	-

10. Goodwill - net

Goodwill - net as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	Consolidated financial statements	
	2011	2010
Cost	5,607,769	5,607,769
Less Accumulated amortisation	(1,491,432)	(1,491,432)
Goodwill - net	4,116,337	4,116,337

Effective April 1, 2008, the Company ceased amortisation of Goodwill and changed to test of impairment of Goodwill instead resulting in no amortisation expense being incurred on such goodwill in the consolidated financial statements for the years ended March 31, 2011 and 2010.

As at March 31, 2011 and 2010, the Company had performed a test of impairment of Goodwill and considered no impairment of goodwill.

11. Income tax expense and deferred tax assets

Income tax expense consists of :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Current tax				
Current year	(141,488)	(215,411)	(11,722)	(13,178)
Deferred tax				
Movements in temporary differences	221,815	202,660	447	(1,015)
Income tax expense as included in statements of income	80,327	(12,751)	(11,275)	(14,193)

The difference between the tax rate of 15 percent, of 25 percent and of 30 percent for the years ended March 31, 2011 and 2010, respectively and the Company's effective income tax rate compared to income before income tax is reconciled as follows :

Unit : Thousand Baht

	Consolidated financial statements	
	2011	2010
Income (loss) before income taxes	(1,060,509)	(43,538)
Profit from inter-companies transactions	112,487	116,424
Income before income taxes including profit from inter-companies transactions	(948,022)	72,886
Income before income taxes - promoted sector	(24,932)	(146,201)
	(972,954)	(73,315)
Tax at 15%	3,740	21,930
Tax at 25%	12,024	13,070
Tax at 30%	(304,964)	(37,508)
Effect of non-deductible expenses (benefits) for tax purpose:		
- Temporary differences	221,815	202,660
- Permanent differences	208,873	15,259
Income tax per tax return form	141,488	215,411
	Tax rate	**Tax rate**
	%	**%**
Effective Tax Rate	7.57	29.29

Unit : Thousand Baht

	The separate financial statements	
	2011	2010
Income before income taxes	46,607	55,662
Tax at 25%	12,024	13,070
Tax at 30%	(447)	1,015
Effect of non-deductible expenses (benefits) for tax purpose:		
- Temporary differences	447	(1,015)
- Permanent differences	(302)	108
Income tax per tax return form	11,722	13,178
	Tax rate	**Tax rate**
	%	**%**
Effective Tax Rate	24.19	25.50

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand has been reduced from 30% to 25% of net profit which does not exceed Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008. Therefore, the Company has used a tax rate of 25% for the corporate income tax calculations for the years ended March 31, 2011 and 2010 to conform to such tax rate change.

As at March 31, 2011 and 2010, deferred tax assets which resulted from the temporary differences between the carrying amount of an asset and liability in the balance sheets and its tax base were as follows :

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at March 31 2010	Addition	Utilised/ reversal	Balance as at March 31, 2011
Deferred tax assets resulted from				
Provision for employee benefits	37,893	4,158	(812)	41,239
Reserve for impairment of assets	14,425	-	-	14,425
Allowance for devaluation in inventory	20,240	-	(1,616)	18,624
Accumulated of tax loss carry forward	440,572	432,057	(210,524)	662,105
Retirement asset	5,358	-	-	5,358
Profit on inventory from inter-companies sales	(573)	-	(1,351)	(1,924)
Allowance for doubtful accounts	1,772	-	(97)	1,675
Others	1,814	-	-	1,814
Total deferred tax assets	521,501	436,215	(214,400)	743,316

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at March 31 2009	Addition	Utilised/ reversal	Balance as at March 31, 2010
Deferred tax assets resulted from				
Provision for employee benefits	37,382	511	-	37,893
Reserve for impairment of assets	14,425	-	-	14,425
Allowance for devaluation in inventory	21,193	-	(953)	20,240
Accumulated of tax loss carry forward	236,679	230,049	(26,156)	440,572
Retirement asset	7,751	-	(2,393)	5,358
Profit on inventory from inter-companies sales	(403)	-	(170)	(573)
Allowance for doubtful accounts	-	1,772	-	1,772
Others	1,814	-	-	1,814
Total deferred tax assets	318,841	232,332	(29,672)	521,501

Unit : Thousand Baht

	The separate financial statements			
	Balance as at March 31 2010	Addition	Utilised/ reversal	Balance as at March 31, 2011
Deferred tax assets resulted from				
Provision for employee benefits	9,646	447	-	10,093

Unit : Thousand Baht

	The separate financial statements			
	Balance as at March 31 2009	Addition	Utilised/ reversal	Balance as at March 31, 2010
Deferred tax assets resulted from				
Provision for employee benefits	10,661	-	(1,015)	9,646

12. Other non - current assets

Other non - current assets as at March 31, 2011 and 2010 consist of:

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Prepaid tax expense	167,212	38,780	25,707	-
Others	39,814	44,733	7,259	7,906
Total	207,026	3,513	32,966	7,906

13. Bank overdrafts and loans

13.1 Bank overdrafts and short-term loans from local banks as at March 31, 2011 and 2010 consist of :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Bank overdrafts	-	2,280	-	-
Total	-	2,280	-	-

Short-term loans from local banks

As at March 31, 2011 and 2010, the Group has agreements with 11 local banks to obtain short-term credit facilities of Baht 8,110 million and Baht 7,787 million, respectively, for working capital. The interest rates of these credit facilities are as follows :

Credit Line	Interest rate
1) Bank Overdraft	MOR
2) Trust receipts (Baht)	MMR
3) Promissory note	MMR

As at March 31, 2011 and 2010, the Group has withdrawn the loans totaling Baht 2,570 million and Baht 2,804 million, respectively.

13.2 Long-term loans

The period to maturity of long-term loans (denominated in Thai Baht) as at March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Within one year	1,300,000	875,920	1,300,000	875,920
After one year but not exceeding five years	4,325,000	4,875,846	4,325,000	4,875,846
After five years	-	351,841	-	351,841
	4,325,000	5,227,687	4,325,000	5,227,687
Total	5,625,000	6,103,607	5,625,000	6,103,607

The long-term loans bear interest at MLR-1.25 per annum. Repayments of debt principal are to be made in 28 quarterly installments commencing on February 28, 2007.

The Company uses property, plant and equipment of subsidiaries as collateral for long-term loans and short-term loans from two local banks as mentioned in note 8.

In November 2007, the Company entered into a long-term loan in the amount of Baht 3,500 million with a local banks. The loan is for Mini Blast Furnance Project of the Company's subsidiary, N.T.S. Steel Group Plc. Repayments of debt principal are to be made in 20 quarterly installments, starting from November 2009 to August 2014 bearing floating interest rate MLR-2 per annum. In November 2009, the Company made a supplement to the loan agreement in order to delay the first repayment for one more year, starting from November 2010 to August 2015. The loan is collateralised by all of the Mini Blast Furnance Project's asset except land. For the years ended March 31, 2011 and 2010, the Company has withdrawn loans totaling Baht 3,500 million and Baht 3,079 million, respectively.

14. Trade accounts payable of subsidiary arising from restructuring

These represent trade payables of N.T.S. Steel Group Plc. under the Reorganisation Plan which was approved by the creditors' meeting on July 8, 2002 and the Central Bankruptcy Court on July 19, 2002. The creditors in these groups will receive repayment in full of their principal claims within 10 years. Condition in the Plan stated the Company is able to select the repayment term commencing from the fifth year to the tenth year commencing from November 29, 2002. This debt is guaranteed by The Siam Iron and Steel (2001) Co., Ltd. and The Siam Construction Steel Co., Ltd. without guarantee fees.

15. Liabilities under finance lease agreeements

Liabilities under finance lease agreements as at March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Liabilities under finance lease agreements				
Within one year	59	10,504	2	10,228
After one year but not exceeding five years	6	65	-	2
Total minimum lease payment	65	10,569	2	10,230
Less Deferred interest	(2)	(203)	-	(191)
Total minimum lease payment - net	63	10,366	2	10,039
Less Current portion of liabilities under finance lease agreements	(58)	(10,303)	(2)	(10,037)
Liabilities under finance lease agreements - net	5	63	-	2

Fair value of liabilities under finance lease is approximately equal to book value.

16. Provident fund

The defined contribution plan comprise provident fund for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 10% of their basic salaries and by the Group at from 5% to 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

For the years ended March 31, 2011 and 2010, the contribution of the group recognised as expenses for the consolidated financial statements amounting to Baht 37 million and Baht 36 million, respectively and for the separate financial statements amount to Baht 9 million and Baht 10 million, respectively.

17. Provision for employee retirement benefits

As at March 31, 2011 and 2010, the Company recorded a provision for employee retirement benefits totaling Baht 137.46 million and Baht 126.31 million, respectively. The estimated liability was calculated based on the projected unit credit method by qualified independent actuaries.

The significant assumptions used for the purposes of the actuarial valuations were as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
	%	%	%	%
Discount rate	4.25	5.00	4.25	5.00
Average expected rate of salary increase	6.00	6.00	6.00	6.00

The benefit cost included in administrative expenses and recognised in the income statement for the years ended March 31, 2011 and 2010, were as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Current service cost	11,822	17,416	3,752	7,707
Interest cost	6,906	6,284	1,795	1,683
Net actuarial losses (gains) recognised during the year	4,161	(10,002)	(4,056)	(5,389)
	22,889	13,698	1,491	4,001

The provision for statutory severance pay as at March 31, 2011 and 2010, and a reconciliation with amounts recognised in the income statement are provided are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Present value of unfunded obligations	137,462	126,306	33,645	32,154

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Provision for statutory severance pay as at April 1	126,306	124,601	32,154	35,537
Current service cost	11,822	17,416	3,752	7,707
Interest cost	6,906	6,284	1,795	1,683
Actuarial losses (gains)	4,161	(10,002)	(4,056)	(5,389)
Severance paid during the years	(11,733)	(11,993)	-	(7,384)
	137,462	126,306	33,645	32,154

For the years ended March 31, 2011 and 2010, the Group had paid retirement benefit in the consolidated financial statements of Baht 11.73 million and Baht 11.99 million, respectively and for separate financial statements of Baht 7.38 million (2010 : none).

18. Share capital, reserve and warrants

Preferred Shares

Rights attaching to the preferred shares are as follows :

(a) Preferred shares have preemptive right to receive cash from the Company's liquidation prior to ordinary shares when the total amount of the proceeds from liquidation is not greater than the sum amount of the outstanding number of preferred shares at the date of liquidation multiplied by Baht 1.87 and the outstanding number of preferred shares at the date of liquidation multiplied by Baht 1.30.

(b) Preemptive rights of preferred shares are effective within 11 years (November 29, 2013) commencing the date of fully paid-up capital to the Company at the first time. At the end of the 11th year, preemptive rights of preferred shares are immediately expired and preferred shares are converted to ordinary shares.

(c) Preferred shareholders are entitled to the same voting rights as ordinary shareholders.

(d) Preferred shares are convertible to ordinary shares in proportion 1 : 1 at the option of the preferred shareholders by requesting to the Company and surrender certificates.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount net less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution

Warrants

There are two types of warrants:

(a) Warrant 1: 1,083,275,200 units issued at Baht 0.05 per warrant, exercise price Baht 2.10 per ordinary share

(b) Warrant 2: 1,520,763,525 units issued at Baht 0.05 per warrant, exercise price Baht 6.114 per ordinary share.

Warrants, which are negotiable, have a 10 years term from the issued date (December 2, 2002). If any warrants have not been exercised within the specified period, such warrants will be cancelled.

19. Capital risk management

The Company's objective in managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

20. Other income

Other income for the years ended March 31, 2011 and 2010 consists of :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Management fee income	-	-	309,455	269,100
Others	49,746	41,074	14,983	1,370
Total	49,746	41,074	324,438	270,470

21. Expenses by nature

Net profit (loss) for the years ended March 31, 2011 and 2010 has been arrived at after charging the following significant expenses :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Raw material used	21,952,015	16,997,772	-	-
Employee benefits expense	760,843	709,826	165,525	166,323
Depreciation and amortisation	1,096,122	885,818	36,380	33,937
Interest expense	282,878	148,583	274,961	269,693
Delivery expense	206,588	175,226	-	-
Utilities expenses	2,229,704	2,069,014	1,119	1,002
Repair and maintenance expenses	775,310	647,987	1,077	549
Others	476,363	948,528	169,132	189,538
Total	27,779,823	22,582,754	648,194	661,042

22. Earnings (loss) per share

Earnings (loss) per share for the years ended March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Net profit (loss) attributable to shareholders of parent company	(976,003)	(54,401)	35,332	41,469
Net loss attributable to minority interest	(4,179)	(1,887)	-	-
Net profit (loss)	(980,182)	(56,288)	35,332	41,469
Adjust loss (profit) attributable to preferred share	29,420	1,689	(1,060)	(1,245)
Profit (loss) used in calculating basic earnings per ordinary share	(950,762)	(54,599)	34,272	40,224
Weighted average number of ordinar shares **Shares**	8,168,767,623	8,168,767,623	8,168,767,623	8,168,767,623
Basic earnings (loss) per share **Baht**	(0.12)	(0.01)	0.00	0.00

Diluted earnings per share

For the years ended March 31, 2011 and 2010, there are no diluting effects from converting warrants because exercise price exceeds the fair value of common shares which not result in dilution of earning per share.

23. Related party transactions and balances

Related parties are those parties linked to the Group and the Company by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The pricing policies for particular types of transactions are explained further below :

	Pricing Policies
Sales	Market price
Purchases	Market price
Management fee income	Market price
Interest income	Market rate /Contract rate

Significant transactions for the years ended March 31, 2011 and 2010 with related parties are summarised as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Revenue				
Sales	3,557,767	2,053,639	-	-
Interest income	-	-	351,153	413,724
Management fee income	-	-	309,455	269,100
Others income	16,680	75	-	3
Expenses				
Purchases	4,528,519	3,458,133	-	-
Interest expense	-	-	11,494	10,752
Others expense	35,168	40,736	25,294	40,347

The major related parties as at March 31, 2011 and 2010 comprised of :

Type	Name	Type of Business	Relationship
Subsidiaries	The Siam Iron and Steel (2001) Co., Ltd.	Manufacture steel bars, wire rods and small section products	Co shareholders and management
	The Siam Construction Steel Co., Ltd.	Manufacture steel bars	Co shareholders and management
	N.T.S Steel Group Plc.	Manufacture steel bars and wire rods	Co shareholders and management
Other parties	The Siam Industrial Wire Co., Ltd.	Manufacture steel wire	Co shareholders
	NatSteel Trade International Pte. Ltd.	Trading	Co shareholders
	NatSteel Recycling Pte. Ltd.	Trading	Co shareholders
	Tata Steel International (Hong Kong) Ltd.	Trading	Co shareholders
	Tata Steel Asia (Hong Kong) Ltd.	Trading	Co shareholders
	Tata Refractories Ltd.	Manufacture refractory	Co shareholders
	NatSteel Holdings Pte. Ltd.	Manufacture steel	Co shareholders
	Tata Steel UK Ltd. (Formerly Corus UK Ltd.)	Manufacture steel	Co shareholders
	Corus Staal B.V.	Manufacture steel	Co shareholders
	Tata Consultancy Services (Thailand) Ltd.	Software services	Co shareholders
	Tata Consultancy Services Ltd.	Software services	Co shareholders
	Tata Services Ltd.	Training services	Co shareholders
	Tata Sons Ltd.	Investment holdings and consultancy services	Co shareholders
	Tata Steel Resources Australia Pte. Ltd.	Procurement	Co shareholders
	Tata NYK Shipping Pte. Ltd.	Shipping	Co shareholders
	Mjunction Services Limited	Manufacture steel	Co shareholders
	Siam Steel Mill Services Co., Ltd.	Recycling and reprocessing steel scrap	Indirect investments
	Tata Steel Global Holdings Pte. Ltd.	Investing	Shareholders
	Tata Steel Limited	Manufacture steel	Parent company
	Tata Steel Global Procurement Co. Pte. Ltd.	Trading	Co shareholders

Balances with related parties as at March 31, 2011 and 2010 with related parties are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Trade accounts receivable				
The Siam Industrial Wire Co., Ltd.	24,229	24,225	-	-
NatSteel Trade International Pte. Ltd.	165,070	-	-	-
Tata Steel International (Hong Kong) Ltd. (Formerly Corus International Trading Limited)	49,053	27,863	-	-
Total	238,352	52,088	-	-

As at March 31, 2011 and 2010, trade accounts receivable from related parties aged as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Within credit terms	229,340	29,576	-	-
Overdue:				
Less than 3 months	9,012	22,512	-	-
Total	238,352	52,088	-	-

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Receivables from related parties				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	16,408	8,235
The Siam Construction Steel Co., Ltd.	-	-	23,763	9,978
N.T.S. Steel Group Plc.	-	-	4,690	32,432
Siam Steel Mill Services Co., Ltd.	2,027	431	-	-
NatSteel Recycling Pte. Ltd.	683	-	-	-
Total	2,710	431	44,861	50,645
Short-term loans to related parties				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	745,770	744,338
N.T.S. Steel Group Plc.	-	-	3,343,957	2,848,352
Total	-	-	4,089,727	3,592,690

Short-term loans to related parties are non-collateral loans carrying interest as at March 31, 2011 and 2010 at 1 - 5.5% and 5.5% p.a., respectively.

Movements during the years on short-term loans to related parties are as follows :

Unit : Thousand Baht

	Consolidated financial statements	The separate financial statements
As at March 31, 2009	-	2,761,063
Increase	-	831,627
As at March 31, 2010	-	3,592,690
Increase	-	497,038
As at March 31, 2011	-	4,089,728

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Other current assets				
Advances to related party				
Tata Sons Ltd.	71,220	77,984	71,220	77,984

As at March 31, 2011, the Company is in a process of receiving a reimbursement under Brand Promotion fee agreement, aggregating to Baht 71 million approximately, and is expected to be resolved shortly.

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Long-term loan to related party				
N.T.S. Steel Group Plc.				
(Interest at MLR-1.25% and -1.20% p.a.)	-	-	2,900,000	2,900,000
(Interest at MLR-2.00% and -1.95% p.a.)	-	-	3,500,000	3,078,607
Total	-	-	6,400,000	5,978,607

The long-term loan to related party is non-collateralised loan according to the loan agreement dated November 30, 2006 and November 9, 2007.

In April 2010, the Company made the supplement to both long-term loan agreements to related party in order to extend the first repayment to November 30, 2011.

The period to maturity as at March 31, 2011 and 2010 are as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Within one year	-	-	780,000	755,920
After one year but not exceeding five years	-	-	5,220,000	4,870,846
After five years	-	-	400,000	351,841
Total	-	-	6,400,000	5,978,607

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Trade accounts payable to related party				
Tata Steel Ltd.	42,671	229,180	-	-
Tata Steel UK Ltd. (Formerly Corus UK Ltd.)	572,269	174,325	-	-
Tata Steel Global Procurement Co. Pte. Ltd.	715,079	-	-	-
NatSteel Recycling Pte. Ltd.	12,621	-	-	-
Mjunction Services Limited	351	-	-	-
Siam Steel Mill Services Co., Ltd.	9,924	34,645	-	-
Total	1,352,915	438,150	-	-

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Payables to related parties				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	82	-
The Siam Construction Steel Co., Ltd.	-	-	1,193	772
N.T.S. Steel Group Plc.	-	-	152	94
Tata Consultancy Services (Thailand) Ltd.	7,880	8,430	7,880	8,430
NatSteel Holdings Pte. Ltd.	-	6	-	-
Tata Sons Ltd.	-	5,318	-	5,318
NatSteel Recycling Pte. Ltd.	-	117	-	-
The Siam Industrial Wire Co., Ltd.	585	-	-	-
Mjunction Services Limited	144	-	-	-
Siam Steel Mill Services Co., Ltd.	11,287	-	-	-
Total	19,896	13,871	9,307	14,614

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Short-term loans from related party				
The Siam Construction Steel Co., Ltd.				
(Interest as at March 31, 2011 and 2010 are 1.5% p.a.)	-	-	806,216	704,076
Long-term debt from related party*				
Tata Steel Global Holdings Pte. Ltd.	270,596	270,596	270,596	270,596

*Long-term debt from related party without interest. The Company is able to select repayment term commencing from the fifth year to tenth year commencing from November 29, 2002.

24. Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, two subsidiaries have been granted privileges by the Board of Investment relating to the following :

	Exemption from corporate income tax for 8 years from	50% Deduction of normal corporate income tax for 5 years from
The Siam Construction Steel Company Limited		
Manufacture of steel bars	-	January 2006 – October 2010
N.T.S. Steel Group Public Company Limited		
Manufacturing of steel wire rods	April 2006 - April 2014	-

As promoted companies, the subsidiaries must comply with certain conditions and restrictions provided for in the promotional certificates.

25. Revenues reporting of a promoted industry

According to the Announcement of the Board of the Investment No. 14/1998 dated December 30, 1998, regarding revenues reporting of a promoted industry, the Company is required to report the revenues from domestic sales and export sales separately and to report separately between the promoted and non-promoted sectors. For the years ended March 31, 2011 and 2010, the required information are as follows :

Unit : Million Baht

	For the year ended March 31, 2011		
	Promoted sector	Non-promoted sector	Total
Revenues			
Revenue from domestic sales	5,533	20,075	25,608
Revenue from export sales	338	800	1,138
Total revenue from sales	5,871	20,875	26,746
Other income	-	69	69
Total revenues	5,871	20,944	26,815

Unit : Million Baht

	For the year ended March 31, 2010		
	Promoted sector	Non-promoted sector	Total
Revenues			
Revenue from domestic sales	2,040	10,291	12,331
Revenue from export sales	665	596	1,261
Total revenue from sales	2,705	10,887	13,592
Other income	-	46	46
Total revenue	2,705	10,933	13,638

26. Financial instruments

Credit Risk

Credit risk arises from the possibility that customers may not be able to settle obligations to the Group as per contracts which may cause financial loss. The Group has a policy to protect against this risk by assessing the credit worthiness of customers, defining credit limits, asking for bank guarantees and/or personnel guarantees, credit terms, controlling credit utilisation and reviewing collections. Fair value of receivables presented in the balance sheet are the balance net of anallowance for doubtful accounts estimated by management.

Interest Rate Risk and Foreign Exchange Risk

Interest rate risk and foreign exchange risk occurs from the change in interest rate and fluctuating of foreign currency. The Group has no policy to use financial derivatives for speculation or trading.

Liquidity Risks

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair Value

The Group uses the following methods and assumptions in estimating the fair value of financial instruments :

Cash and cash equivalents, receivables and payables, bank overdrafts and short-term loans from financial institutions - the carrying values approximate to their fair values due to the relative short-term maturity of these financial instruments.

Available-for-sale securities - fair value is determined as the grated bid price at the balance sheet date.

Long-term loans - the carry values approximate to their fair values because these financial instruments bear interest at market rates.

Long-term trade accounts payables of subsidiary arising from restructuring and long-term debt payable to related party - fair value is estimated by discounting the future cash flows at current loan rates. The estimated fair values are as follows :

Unit : Thousand Baht

	Consolidated financial statements	
	As at March 31, 2011	As at March 31, 2010
Trade accounts payable of subsidiary arising from restructuring	156,522	150,123
Long-term debt payable to related party	226,611	217,346

Unit : Thousand Baht

	The separate financial statements	
	As at March 31, 2011	As at March 31, 2010
Long-term debt payable to related party	226,611	217,346

27. Forward exchange contracts

The Company entered into forward exchange contracts - bought/sold to cover foreign exchange exposure associ ated with its trade accounts payable denominated in foreign currency. The Company does not enter into financial instruments for trading or speculative purposes.

The contractual amounts of the Company's forward exchange contracts - bought are as follows :

	Consolidated financial statements As at March 31, 2011			
Maturity date	Contract amount (USD)	Forward exchange rate per contract (Baht per USD)	Value per forward (Thousand Baht)	Fair Value (Thousand Baht)
April 1, 2011 - August 31, 2011	56,970,000	30.21 – 33.71	1,741,902	1,737,380

	Consolidated financial statements As at March 31, 2010			
Maturity date	Contract amount (USD)	Forward exchange rate per contract (Baht per USD)	Value per forward (Thousand Baht)	Fair Value (Thousand Baht)
April 1, 2010 - September 27, 2010	92,424,670.31	32.13 - 33.71	3,039,022	3,001,024

28. Commitments and contingent liabilities

As at March 31, 2011 and 2010, the Group had commitments and contingent liabilities as follows :

(a) Unused letters of credit as at March 31, 2011 and 2010 amounting to Baht 182 million and Baht 904 million, respectively.

(b) An obligation under a letter of guarantee issued by the commercial banks to government as at March 31, 2011 and 2010 amounting Baht 755 million and Baht 322 million, respectively.

(c) Commitments on purchase and installation of machinery as at March 31, 2011 and 2010 amounting Baht 315 million and Baht 329 million, respectively.

(d) In December 2009, one of the subsidiaries had a dispute regarding the interpretation of tax computation and the propriety of BOI loss carry forward and its utilisation, amounting to a tax element inclusive of surcharge of Baht 103 million. In order to avoid the penalty and interest charge, the Subsidiary decided to pay the additional tax. On September 13, 2010, the Subsidiary submitted the filing a revised return and will follow-up with an appeal to the Board of Tax Appeal based on legal advise, seeking a clarification on the process for adjustment of carried forward losses with BOI schemes.

As at March 31, 2011 and 2010, the Group is committed for rental (including service charges) as follows :

Unit : Thousand Baht

	Consolidated financial statements		The separate financial statements	
	2011	2010	2011	2010
Within one year	40,914	38,837	27,195	24,151
After one year but not exceeding five years	70,377	70,846	21,013	20,266
After five years	26,715	38,088	-	-
Total	138,006	147,771	48,208	44,417

29. Segment information

The company's subsidiaries manufacture and distributed rebars, wire rods and small sections products which are located in same geography. Sales of the subsidiaries are mainly local sales whereas an export sale is not significant. Therefore, the Company does not disclose this segment information.

30. Reclassificatiion

The consolidated financial statements for the year ended March 31, 2010 have been reclassified to conform to the classifications used in the consolidated financial statements for the year ended March 31, 2011 as follows:

- Accrued electricity of Baht 54.08 million, which was previously included in other current liabilities, is included in trade accounts payable - other in the consolidated balance sheet.

- Increasing in trade accounts payable – other of Baht 25.48 million, which was previously included as a part of increasing in other current liabilities and non-current liabilities, has been included in trade accounts payable increase under cash received for operations in the consolidated statement of cash flow.

31. APPROVAL FOR FINANCIAL STATEMENTS

These financial statements have been approved for issue by an authorised director for issuing on May 3, 2011.