



TATA STEEL (THAILAND)

**TATA STEEL (THAILAND)
PUBLIC COMPANY LIMITED**

**ANNUAL REPORT
2014-2015**



WORLD CLASS STEEL FOR THAIS

Build

with
INSPIRATION



WWW.TATASTEELTHAILAND.COM



VISION

Tata Steel (Thailand) shall **delight the Customers** through **innovative best in class products & services** in Construction steels and thus **create value for its shareholders.**

We will realize our vision by fostering a **culture of trust & continuous improvement** while keeping employees happy and adhering to highest standards of business conduct.



CONSOLIDATED FINANCIAL HIGHLIGHTS

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Financial Statements	2015	2014	2013
Statement of Income			
Net Sales	21,355.09	25,362.71	25,014.52
Total Revenues	21,410.46	25,440.10	25,252.19
Gross Profit	566.31	1,125.98	289.96
Earnings before Income Tax, Financial Charges, Depreciation and Amortization (EBITDA)	373.93	1,006.29	641.56
Net Profit (Loss) before tax	(385.69)	83.80	(4,219.49)
Net Profit (Loss)	** (611.04)	30.79	* (4,545.47)
Statement of Financial Position			
Total Assets	13,639.52	16,195.04	18,101.05
Total Liabilities	5,240.83	7,178.57	9,129.30
Total Shareholders' Equity	8,398.69	9,016.47	8,971.75
Issued and Fully Paid of Share Capital	8,421.54	8,421.54	8,421.54

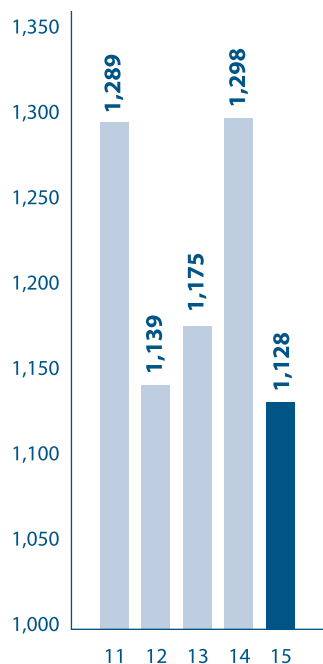
Financial Ratio	2015	2014	2013
Par Value (Baht)	1.00	1.00	1.00
Book Value per Share (Baht)	1.00	1.07	1.07
Earnings (Loss) per Share (Baht)	(0.07)	0.00	(0.56)
Current Ratio (Time)	1.01	1.17	1.34
Debt to Equity Ratio (Time)	0.62	0.80	1.02
Time Interest Earned Ratio (Time)	1.64	3.07	1.73
Return on Total Revenues (%)	(2.85)	0.12	(18.00)
Return on Assets (%)	(4.09)	0.18	(22.14)
Return on Equity (%)	(7.00)	0.34	(40.41)

Note

- * One-time charge of impairment loss ฿ 3,600 Mn resulting from an impairment testing exercise, consistent with TAS No. 36, Deferred Tax Asset write – off of ฿ 286 Mn in line with TAS No.12 (Revised 2012).
- ** Deferred Tax Asset write – off of ฿ 200 Mn in line with TAS No.12 (Revised 2012).

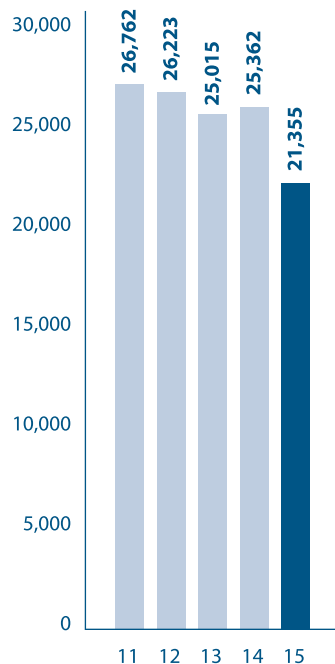
Sales Volume

(Thousand Ton)



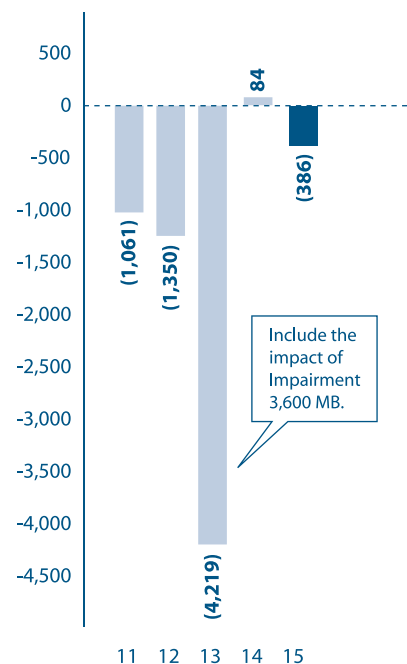
Net Sales

(Million Baht)



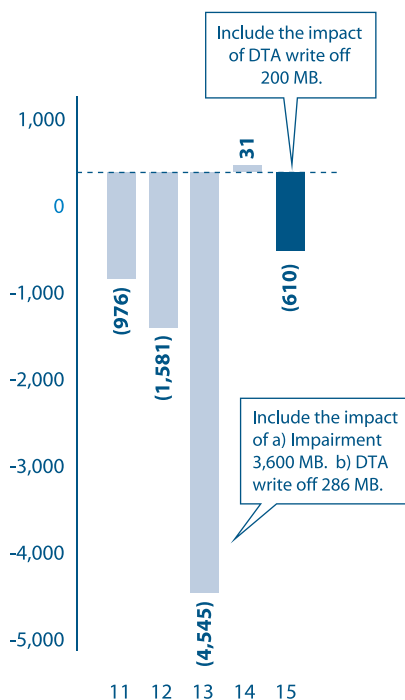
Net Profit (Loss) Before Tax

(Million Baht)



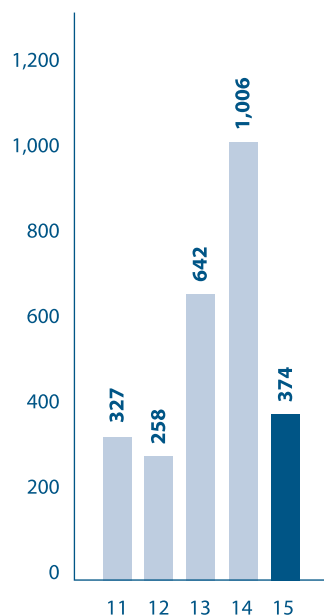
Net Profit (Loss)

(Million Baht)



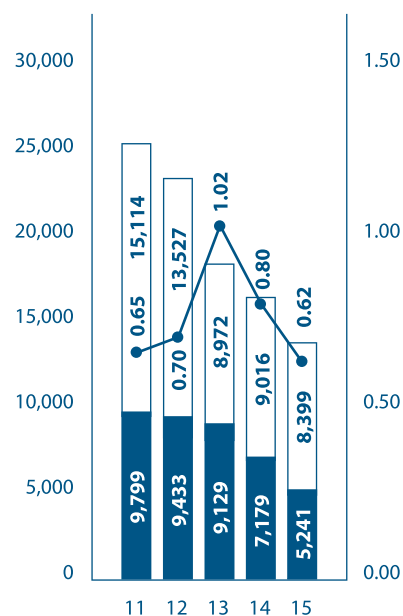
EBITDA

(Million Baht)



Debt to Equity

Equity
Debt
Debt : Equity



TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED

Registration No.	0107545000136
Business Type	Manufacturer and distributor of long steel products.
Established	July 12, 2002
Listing Date	November 29, 2002
Trading Date	December 18, 2002
<hr/>	
Paid Up Capital	8,421,540,848 Baht
Par Value	1.00 Baht per share
Securities Trading Symbol	TSTH
ISIN Number	Local TH0692010000
	Foreign TH0692010018
	NVDR TH0692010R12
<hr/>	
Head Office	555 Rasa Tower 2, 20/F Floor, Phaholyothin Road, Chatuchak, Bangkok 10900, Thailand Tel. +66 2937 1000 Fax. +66 2937 1224
<hr/>	
Website	http://www.tatasteelthailand.com
<hr/>	
Registrar	Thailand Securities Depository Company Limited 4, 6, 7/F, The Stock Exchange of Thailand Building, 62 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. +66 2229 2800 Fax. +66 2359 1262-3
<hr/>	
Auditors	Miss. Thanawan Anuratbodee (Certified Public Accountant Registration No. 3440) Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. Rajanakarn Building, 25/F, 183 South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120, Thailand Tel. +66 2676 5700 Fax. +66 2676 5757
<hr/>	
Investor Relations	Miss Pratana Sinhaneti Tel. +66 2937 1000 Ext. 1460 E-mail pratanas@tatasteelthailand.com
<hr/>	
Corporate Communications and Activity	Mrs. Arisara Na Ranong Tel. +66 2937 1000 Ext. 2420 E-mail arisaran@tatasteelthailand.com

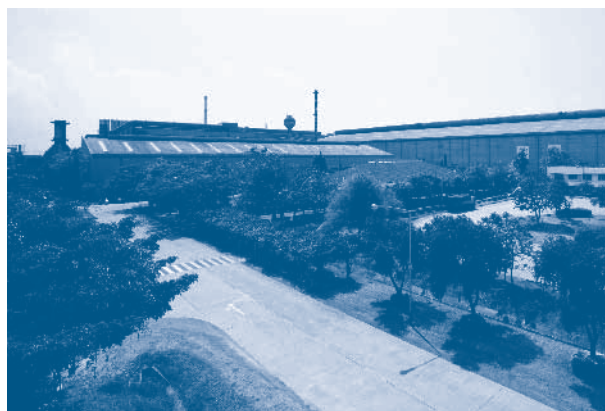
Registration No. 0107536001273
Business Type Manufacturer of bars, rebars and wire rods
Established October 4, 1988
Factory No. 351, Moo 6, 331 Highway,
Hemaraj Chonburi Industrial Estate, Bowin,
Sriracha, Chonburi 20230
Tel. +66 3834 5355 Fax. +66 3834 5350
Paid Up Capital 4,627,965,356.40 Baht
Par Value 1.20 Baht
Held by TSTH 99.76 %

N.T.S. STEEL GROUP PUBLIC COMPANY LIMITED



THE SIAM CONSTRUCTION STEEL COMPANY LIMITED

Registration No. 0105532094348
Business Type Manufacturer of rebars
Established October 4, 1989
Factory Plot I-23, Map Ta Phut Industrial Estate,
Ampher Muang, Rayong 21150
Tel. +66 3868 3968 Fax. +66 3868 3969
Paid Up Capital 1,750,000,000.00 Baht
Par Value 100 Baht
Held by TSTH 99.99 %



THE SIAM IRON AND STEEL (2001) COMPANY LIMITED

Registration No. 0105544085276
Business Type Manufacturer of wire rods and small sections
Established September 3, 2001
Factory No. 49 Moo 11, Tambon Bang Khamode,
Ampher Ban Mor, Saraburi 18270
Tel. +66 3628 8000 Fax. +66 3628 8002
Paid Up Capital 120,000,000.00 Baht
Par Value 100 Baht
Held by TSTH 99.99 %



Dear Shareholders

We are pleased to share with you the report for the Financial Year 2014-15 on behalf of the Board of Directors. 2014 saw global economic growth of 3.4 % over 2013. While a few economies notably the US are showing signs of recovery, structural issues continue to be a major issue for most of the geographies.

Apparent steel consumption around the world grew by a meager 0.6% in 2014. Developed economies delivered a healthy growth rate of 6.2% while developing & under developed economies excluding China posted low growth of 2.3%. The largest producer of Steel in the world, China, saw a decline of growth by 3.3% for the first time since 1995 as the country shifts the gears towards a sustainable model of economic development.

China's finished steel exports touched 93.78 million tonnes in 2014. This is approximately 50% increase over volume exported in 2013. Of the total, approximately 24 million tonnes of the products came in ASEAN countries, thus making this region the biggest destination of Chinese steel exports in 2014. Bulk of these exports was in long products category. Despite the action by the Chinese government to remove the export tax benefits on certain type of boron containing steel effective 1 January 2015, China's shipments of finished products continue relentlessly. The impact of this is not only felt in terms of sheer volume contraction but also depressed prices for practically all categories of steel products. Further, the iron ore prices declined sharply through the last year from \$111/t in March 2014 to \$58/t in March 2015, primarily due to a significant increase in supply from Australia and Brazil. This has greatly impacted the finished steel prices globally showing month on month decline in prices for most part of the year. For most of the non-integrated steel manufacturing companies (who are dependent on the purchased raw material), this resulted in EBITDA erosion due to providing for inventory stock at the net realization value. In contrast, the rebar-scrap market spread in South East Asia remained under pressure for the entire first half of the year due to relatively higher fall in rebar prices. The average rebar-scrap market spread declined from US\$144 in FY'14 to US\$98 in FY'15.

Political uncertainty in first half of 2014 resulted in Thailand GDP growth of only 0.7% during the year, lowest in the region. While the country saw political stability in H2 and an improvement in GDP during Oct-Dec period, business sentiment remained subdued. The impact was felt on major steel consuming sectors. Construction sector saw negative growth rate for five quarters in a row during 2013 and 2014. There was 22% drop in automotive production with 33% decline in domestic sales in 2014 compared to 2013. The net result of all this was a 3.5% decline in steel consumption in the country compared to previous year. Coupled



**MR. KOUSHIK
CHATTERJEE**
CHAIRMAN

with unabated imports especially from China, this posed a very challenging situation for the steel manufactures in the country.

The year gone by was a very challenging year for the Company. Steel demand and supply balance was disturbed due to the confluence of weak demand, contraction of rebar- scrap spread and rising imports due to overcapacity led by China. The Company was adversely impacted by this resulting in declining sales and profitability. However, the impact was partly minimised with the Company continued focus on its strategy to exports, operational excellence and cost savings measures.

KEY ACHIEVEMENTS DURING THE YEAR

The Company's strategy has been centered on delivering **Value added products and services** to its Customers while pursuing operational excellence across all functions. Management's focus on differentiated products resulted in more than doubling the sales volume of high tensile reinforcing bars Tata Tiscon SD50 and ready to use Cut and Bend Rebars. Active promotion of earthquake resistant Tata Tiscon Super ductile Rebar in North and North East regions of Thailand resulted in sales growth of over 150% over FY14. There is no other supplier who manufactures this category of steel. Through these initiatives, Tata Tiscon Rebar continues to maintain its leadership position and is the largest selling Rebar brand in the country. The Company launched ready to use stirrups for retail Customers. Small sections which have low susceptibility to imports saw sales increase of 28% over previous year. The year saw a decline in number of Customer claims by over 25% compared to previous year.

In the back drop of strong head winds from the market, **Operational Excellence** was key focus area. All three operating units with active participation on procurement division worked under very tight system inventory and continued to excel in operational parameters. During the year, steel inventories were reduced by over 1000 million Baht. This facilitated the company to honour all its long term loan commitments to the financial institutions during the year. Under Project 'SAVE', Specific Energy



**MR. RAJIV
MANGAL**
PRESIDENT & CEO



Consumption came down by 4% in spite of lower production. The Company achieved lowest steel plant conversion costs in last four years.

Under **Procurement Excellence Program** launched during second half of the year, Sourcing processes were revisited. As scrap is the key raw material for the manufacturing, efficient sourcing and usage of the same is a high priority area for the Company. Using Value in Use, alternate grades of scrap were introduced resulting in lower metallic cost. EBITDA improvement ideas worth 150 million baht have been identified as a part of the Program. The Company continues to source majority of its scrap from domestic sources.

The Company continues to strengthen and improve its **Safety and Environment** processes. Carbon Dioxide emissions reduced even further during the year and reached a record level of 0.57 tons per ton of cast steel. NTS and SCSC plants achieved zero lost time injury during FY 2014-15.

Employees continue to be the backbone of the Company under difficult market conditions. Focused **employee engagement** enhancing initiatives were undertaken under Project 'Together'. The overall attrition rate came down compared to previous year. The Company continues to leverage the strength of Tata Steel Group's presence across geographies to enhance the capability and skill level of its employees.

In line with the Tata Group philosophy, care for communities and **corporate social responsibility** is an integral part of the business. Our flagship program 'Grow Smart with Tata Steel' touched 200 schools. This is a unique initiative by the Company to encourage reading habits among students in rural areas.

During the year the Company won many **awards**, notable were Prime Minister Industry award for Quality Management system at NTS, Outstanding Corporate Social Responsibility Award from Stock Exchange of Thailand for second year in a row and Excellent Environment Management at SCSC.

OUTLOOK FOR FY 2015-16

China continues to make structural changes in its steel policy to bring about a greater balance between demand and the over- capacity in the Country. It is expected that GDP growth in China will be lower than that achieved in last few years. This may result in further increase in exports of finished products out of China.

GDP in ASEAN region is expected to grow at a healthy rate of over 5%. Forecasted GDP growth rate for Thailand is around 3.5%. With political stability in the country, the government is trying to accelerate the fund dispersal for the infrastructure projects announced in the last budget. It is expected that construction sector will grow by approx 4%. All this is likely to provide a more conducive business environment for the steel sector.

As the Company expands its foot print further in up-country and neighboring geographies, it will increase its Customer centricity and leverage the power of Tata Tiscon brand. One of the pillars of the strategy is go further in downstream businesses closer to the end consumer. To mitigate the risk of scrap prices consistently staying high, the Company plans to start sourcing alternate metallic from this year. Using the principles of Total Quality Management, all sites will continuously strive to excel on operational efficiencies and become best in class. While current year proved to a challenging year, the management is committed to complete the turnaround started four years ago and return back to profitability. The fundamentals of the Company are strong to be a value creating enterprise for its shareholders in the long term. We reaffirm to the values that the Tata Group stands for and will work as a responsible corporate citizen in Thailand.

Finally, we would like to thank all our shareholders and our customers, suppliers and lenders for their unstinted support to the Company during a challenging year. We would also like to thank all our employees and the unions for their tireless commitment to enhance the performance of the Company.

**MR. KOUSHIK CHATTERJEE**

Age : 46

CHAIRMAN**Date of Appointment :** April 27, 2006**Shareholding :** None**Relative :** None

* A director who is appointed as the Authorized Signatory in accordance with Company Affidavit.

Education

- 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

Experience

- 2014 - Present Director,
Tata Steel Special Economic Zone Limited, India
- 2013 - Present Chairman, Tata Steel (Thailand) PCL, Thailand
- 2013 - Present Director, Tata Incorporated, USA
- 2012 - Present Group Executive Director (Finance & Corporate),
Tata Steel Ltd., India
- 2012 - Present Director, Tata Steel Odisha Ltd., India
- 2010 - Present Chairman & Director,
Tata Steel Global Procurement Co.Ltd., Singapore
- 2009 - Present Chairman, Tata Metaliks Ltd., India
- 2009 - Present Director, Tata Steel Global Minerals Holdings
Pte Ltd, Singapore
- 2008 - Present Director,
Tata Steel Global Holdings Pte Ltd., Singapore
- 2008 - Present Chairman, NatSteel Holdings Pte Limited,
Singapore
- 2006 - Present Director, Tata Steel Europe Ltd., UK
- 2004 - Present Chairman,
The Tinsplate Company of India Ltd., India

**MR. MARIS SAMARAM**

Age : 72

**INDEPENDENT DIRECTOR,
CHAIRMAN OF THE AUDIT COMMITTEE
MEMBER OF THE CORPORATE GOVERNANCE,
NOMINATION AND REMUNERATION COMMITTEE**

Date of Appointment : July 29, 2002**Shareholding :** None**Relative :** None**Education**

- Bachelor of Accounting
University of the East, Philippines
- Program for Management Development,
Harvard Business School, USA

Experience

- 2013 - Present Independent Director and member of the Audit
Committee, Akara Resources PCL.
- 2010 - Present Independent Director, Member of the Audit
Committee and Member of the Sustainability
Committee, Indorama Ventures Ltd.
- 2005 - Present Director, PAC Siam Co., Ltd.
- 2005 - Present Director, Marsh PB Co., Ltd.
- 2003 - 2015 Independent Director and Chairman of the Audit
Committee, Siam Commercial Bank PLC.
- 2001 - Present Advisor, M.E.D Co., Ltd.
- 2008 - 2011 Director and Vice Chairman of the Audit
Committee, Indorama Polymers PLC.
- 2004 - 2010 Independent Director and member of the Audit
Committee, Sub Sri Thai Warehouse PLC.

Training

- Director Certificate Program (DCP:33/2003)
- Board 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)



ASST. PROF. RAWEWAN PEYAYOPANAKUL

Age : 67

**INDEPENDENT DIRECTOR,
MEMBER OF THE AUDIT COMMITTEE,
MEMBER OF THE CORPORATE GOVERNANCE,
NOMINATION AND REMUNERATION COMMITTEE**

Date of Appointment : July 29, 2002

Shareholding : 0% (22,000 Shares)

Relative : None

Education

- Master of Business Administration
Michigan State University, USA
- Bachelor of Accounting
Thammasat University

Experience

- 2008 - Present Independent Director and Chairman of the Audit Committee, Sabina PLC.
- 2000 - 2013 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.

Training

- Director Accreditation Program (DAP:4/2003)
- Audit Committee Program (ACP:4/2005)



MR. HATASAKDI NA POMBEJRA

Age : 58

**INDEPENDENT DIRECTOR,
MEMBER OF THE AUDIT COMMITTEE**

Date of Appointment : March 28, 2013

Shareholding : None

Relative : None

Education

- Master of Law in International Legal Study (Business)
New York University, School of Law, USA
- Master of Comparative Law University of Miami, School of Law, USA
- Bachelor of Laws (Honors), Thammasat University

Experience

- 2014 - Present Independent Director and Member of the Audit Committee, Board of Trade of Thailand
- 2014 - Present Independent Director and Member of the Audit Committee, Thai Chamber of Commerce
- 2006 - 2009 Independent Director, member of the Audit Committee and Chairman of the Good Governance Committee, Surapon Foods PLC.

Training

- Corporate Secretary (CSP:4/2003)
- Director Certification Program (DCP:33/2003)
- Audit Committee Program (ACP:13/2006)
- Monitoring the Internal Audit Function (MIA:1/2007)
- Monitoring the Quality of Financial Reporting (MFR:6/2008)
- Monitoring the System of Internal Control and Risk Management (MIR:2/2008)
- Role of the Compensation Committee Program (RCC:6/2008)
- Role of Chairman Program (RCP:20/2008)
- Director Certification Program Refresher Course
- Successful Formulation and Execution Strategy (SFE:1/2008)
- Monitoring Fraud Risk Management (MFM:1/2009)
- Chartered Director Class (CDC:7/2013)
- Successful Formulation & Execution Strategy (SFE:18/2013)
- How to Measure the Success of Corporate Strategy (HMS:2/2013)


MR. TARATORN PREMSOONTORN

Age : 52

**DIRECTOR,
MEMBER OF THE CORPORATE GOVERNANCE,
NOMINATION AND REMUNERATION COMMITTEE**

Date of Appointment : July 29, 2002

Shareholding : None

Relative : None

* A director who is appointed as the Authorized Signatory in accordance with Company Affidavit.

Education

- Master of Business Administration
Oklahoma City University, USA
- Bachelor of Economics Chulalongkorn University

Experience

1996 - Present Senior Vice President, Bangkok Bank PCL.
2003 - 2009 Director, Prasit Patana PCL.
2001 - 2014 Director, Sriracha Harbour PCL.

Training

- Director Accreditation Program (DAP:2/2003)
- Finance for Non-Finance Directors Program (FND:7/2003)
- Director Certification Program (DCP:40/2004)


MR. PEEYUSH GUPTA

Age : 46

**DIRECTOR,
MEMBER OF THE EXECUTIVE COMMITTEE**

Date of Appointment : October 23, 2011

Shareholding : None

Relative : None

Education

- Master of Business Administration
McGill University, Montreal, Canada
- Bachelor of Engineer (Honors)
Engineering College, Kota, Rajasthan
- Chevening Scholar, Leeds University, UK
- Advanced Management Program, CEDEP, France

Experience

2015 - Present Director,
Indian Steel & Wire Products Ltd.

2014 - Present Director,
Tata Steel Processing & Distribution Company

2009 - Present Director, Tata Martrade International Logistics Ltd.

2012 - 2013 President & CEO, Tata Steel (Thailand) PCL.

2011 - 2011 Joint CEO, Tata Steel (Thailand) PCL.

2007 - 2011 Chief (Marketing & Sales - Flat Products),
Tata Steel Limited, India


MR. ASHISH ANUPAM

Age : 46

**DIRECTOR,
MEMBER OF THE EXECUTIVE COMMITTEE**

Date of Appointment : June 1, 2015

Shareholding : None

Relative : None

Education

- Bachelor of Engineering (Mechanical Engineering), Birla Institute of Technology, Ranchi, India
- Advanced Management Program, CEDEP (INSEAD, France)

Experience

- 2015 – Present President & CEO,
NatSteel Holdings Pte. Ltd., Singapore
- 2013 – 2015 Executive in Charge - Tubes Division,
Tata Steel Limited, India
- 2009 - 2013 Chief of Marketing & Sales, Long Products,
Tata Steel Limited, India


MR. RAJIV MANGAL

Age : 47

**DIRECTOR,
MEMBER OF THE EXECUTIVE COMMITTEE
PRESIDENT & CEO**

Date of Appointment : December 1, 2013

Shareholding : None

Relative : None

* A director who is appointed as the Authorized Signatory in accordance with Company Affidavit.

Education

- Bachelor of Engineering (Metallurgy) (Honors) University of Roorkee, India
- PGDBM from XLRI, Jamshedpur, India
- Advanced Management Program, CEDEP (INSEAD, France)

Experience

- 2010 - 2013 Executive in Charge Tubes SBU,
Tata Steel Limited, India
- 2005 - 2010 Chief Wire Division,
Chief of Marketing & Sales and
Chief Technical Services,
Tata Steel Limited India

**MR. THANA RUANGSILASINGHA**

Age : 60

CHIEF OPERATING OFFICER**Date of Appointment** : October 1, 2003**Shareholding** : 0% (200,000 Shares)**Relative** : None**Education**

- Master of Engineering
Ohio State University, USA
- Bachelor of Engineering
Chulalongkorn University

Experience

- 2014 - Present Vice Chairman - Industrial Sector Iron and Steel Industry Club,
The Federation of Thai Industries
- 2012 - Present Chief Operating Officer,
Tata Steel (Thailand) PCL.
- 2011 - 2012 Vice President - Operations,
Tata Steel (Thailand) PCL.
- 2010 - Present Director,
N.T.S. Steel Group PCL.
- 2004 - Present Director,
The Siam Construction Steel Co., Ltd.
- 2002 - Present Director,
The Siam Iron and Steel (2001) Co., Ltd.

**MR. SHISHIR VIJAY PIMPLIKAR**

Age : 46

CHIEF FINANCIAL OFFICER**Date of Appointment** : January 1, 2014**Shareholding** : None**Relative** : None**Education**

- Bachelors in Commerce
University of Mumbai, India
- Cost & Works Accountants
Institute of Cost & Works
Accountants of India
- Post Graduate Diploma in Management
Xavier Institute of Management, Bhubaneswar, India

Experience

- 2014 - Present Director,
The Siam Iron and Steel (2001) Co., Ltd.
- 2014 - Present Director,
The Siam Construction Steel Co., Ltd.
- 2011 - 2014 Sr. Financial Controller
(Strategic Finance & Cost Management),
Tata Steel (Thailand) PCL.
- 2009 - 2011 Head Business Analyst - Long Product,
Tata Steel Limited, India



MR. SIROTE MATEMANOSAK

Age : 52

**VICE PRESIDENT -
HUMAN RESOURCES & CORPORATE AFFAIRS**

Date of Appointment : January 1, 2010

Shareholding : 0% (220,000 Shares)

Relative : None

Education

- Master of Business Administration
Kasetsart University
- Bachelor of Laws (Honors),
Thammasat University

Experience

2012 - Present Director, N.T.S. Steel Group PCL.
2012 - Present Director, The Siam Iron and Steel (2001) Co., Ltd.
2012 - Present Director, The Siam Construction Steel Co., Ltd.



MR. PAITHOON CHUESOOK

Age : 52

**VICE PRESIDENT -
PROCUREMENT**

Date of Appointment : April 1, 2012

Shareholding : None

Relative : None

Education

- Bachelor of Engineering (Mechanical)
King Mongkut's Institute of Technology North Bangkok

Experience

2012 - 2013 Director, The Siam Iron and Steel (2001) Co., Ltd.
2011 - 2012 Plant Manager-Saraburi,
The Siam Iron and Steel (2001) Co., Ltd.
2010 - 2011 Senior Department Manager - Rolling Mill,
The Siam Iron and Steel (2001) Co., Ltd.
2001 - 2010 Department Manager - Steel Plant,
N.T.S. Steel Group PCL.



MR. BISWAJIT GHOSH

Age : 49

**VICE PRESIDENT -
QUALITY ASSURANCE AND PRODUCT
DEVELOPMENT**

Date of Appointment : September 1, 2011

Shareholding : None

Relative : None

* Being transferred back to Tata Steel Limited, India with effect from June 1, 2015.

Education

- Bachelor of Engineering (Metallurgical)
Ranchi University, India

Experience

2012 - 2015	Vice President - Quality Assurance and Product Development, Tata Steel (Thailand) PCL.
2011 - 2012	Vice President - New Product Development, The Siam Iron and Steel (2001) Co., Ltd.
2011 - 2011	Senior Advisor to President, The Siam Iron and Steel (2001) Co., Ltd.
2010 - 2011	Chief of Technology (Steel & Mills), Tata Steel Limited, India



MR. SONGSAK PIYAWANNARAT

Age : 44

**VICE PRESIDENT -
MARKETING AND SALES**

Date of Appointment : January 1, 2013

Shareholding : None

Relative : None

Education

- Bachelor of Statistics (Insurance and Business Administration)
Chulalongkorn University
- Master of Business Administration
Thammasat University

Experience

2012 - 2012	Vice President - Projects, TSN Wires Company Limited
2004 - 2012	Domestic Sales Department Manager, The Siam Industrial Wire Co., Ltd.



MR. AMIT KHANNA

Age : 48

**VICE PRESIDENT -
CAPITAL PROJECTS AND BUSINESS EXCELLENCE**

Date of Appointment : April 1, 2015

Shareholding : None

Relative : None

Education

- Bachelor of Science (Electrical Engineering),
National Institute of Technology, Jamshedpur, India

Experience

- 2014 - 2015 Head Improvement Initiatives,
Office of VP Corporate Office,
Tata Steel Limited, India
- 2010 - 2014 Head IEM – PH and IGD, PH & IGD,
Tata Steel Limited, India
- 2008 - 2010 Head TQM (KM, MIS & BA),
ASPIRE Knowledge Management Group,
Tata Steel Limited, India



MR. ARUN KUMAR CHOWDHARY

Age : 56

VICE PRESIDENT - CHONBURI PLANT

Date of Appointment : April 1, 2012

Shareholding : None

Relative : None

Education

- Bachelor of Engineering (Mechanical)
Bihar Institute of Technology, India

Experience

- 2012 - Present Director, N.T.S. Steel Group PCL.
- 2011 - 2012 Plant Manager - Chonburi Plant,
N.T.S. Steel Group PCL.
- 2009 - 2011 Senior Department Manager - MD Office
(MBF Operation), N.T.S. Steel Group PCL.

**MR. WANLERT KANWIWAT**

Age : 49

VICE PRESIDENT - RAYONG PLANT**Date of Appointment** : April 1, 2012**Shareholding** : None**Relative** : None**Education**

- Bachelor of Engineering (Electrical)
King Mongkut's Institute of Technology Ladkrabang

Experience

2012 - Present Director, N.T.S. Steel Group PCL.

2012 - Present Director,

The Siam Construction Steel Company Limited

2011 - 2012 Plant Manager - Rayong,

The Siam Construction Steel Company Limited

2010 - 2011 Senior Department Manager - Steel Plant,
N.T.S. Steel Group PCL.**MR. CHAICHALERM BUNYANUWAT**

Age : 46

VICE PRESIDENT - SARABURI PLANT**Date of Appointment** : July 31, 2012**Shareholding** : None**Relative** : None**Education**

- Bachelor of Mechanical Engineering
University of Technology Thonburi
- Global Leadership Development Programme,
India/United Kingdom

Experience

2012 - Present Director and Vice President,

The Siam Iron & Steel (2001) Co., Ltd.

2012 - 2012 Plant Manager, Saraburi,

The Siam Iron & Steel (2001) Co., Ltd.

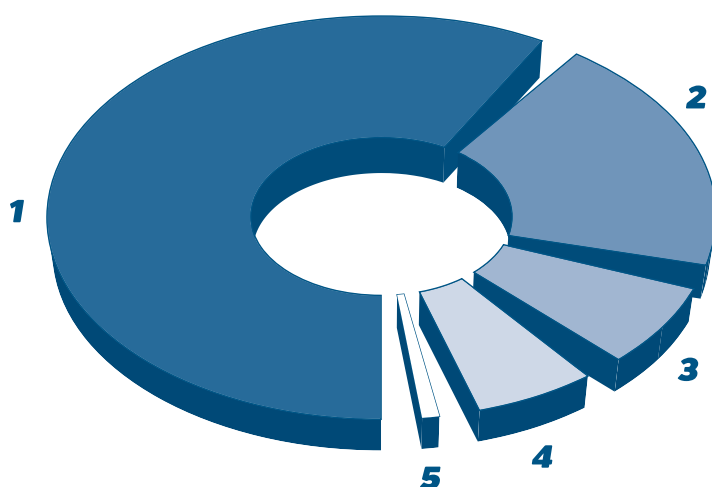
2010 - 2012 Senior Department Manager
- Steel Plant and Maintenance,
N.T.S. Steel Group PCL.

STRUCTURE OF REVENUES

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

Line of Products	FY'15 Year 2014-2015			FY'14 Year 2013-2014			FY'13 Year 2012-2013		
	(Thousand Ton)	(Million Baht)	%	(Thousand Ton)	(Million Baht)	%	(Thousand Ton)	(Million Baht)	%
Domestic Market									
Rebars	744	13,772	64.49	759	14,610	57.61	624	12,803	51.18
Wire Rods	228	4,505	21.09	346	6,841	26.97	415	9,167	36.65
Small Sections	67	1,403	6.57	52	1,131	4.46	59	1,452	5.81
Others	5	81	0.38	6	103	0.40	6	121	0.48
Total Revenues from Domestic Sales	1,044	19,761	92.54	1,163	22,685	89.44	1,104	23,543	94.12
Export Market									
Rebars	79	1,488	6.97	126	2,495	9.84	40	815	3.26
Wire Rods	5	99	0.46	8	164	0.64	30	641	2.56
Small Sections	-	-	-	-	-	-	-	-	-
Others	-	7	0.03	1	19	0.08	1	16	0.06
Total Revenues from Exports	84	1,594	7.46	135	2,678	10.56	71	1,472	5.88
Total Revenues	1,128	21,355	100.00	1,298	25,363	100.00	1,175	25,015	100.00

REVENUES FROM SALES 2014 - 2015 (MILLION BAHT)



1. REBAR

13,772 (64.49%)

2. WIRE ROD

4,505 (21.09%)

3. EXPORT

1,594 (7.46%)

4. SMALL SECTIONS

1,403 (6.57%)

5. OTHERS

81 (0.38%)

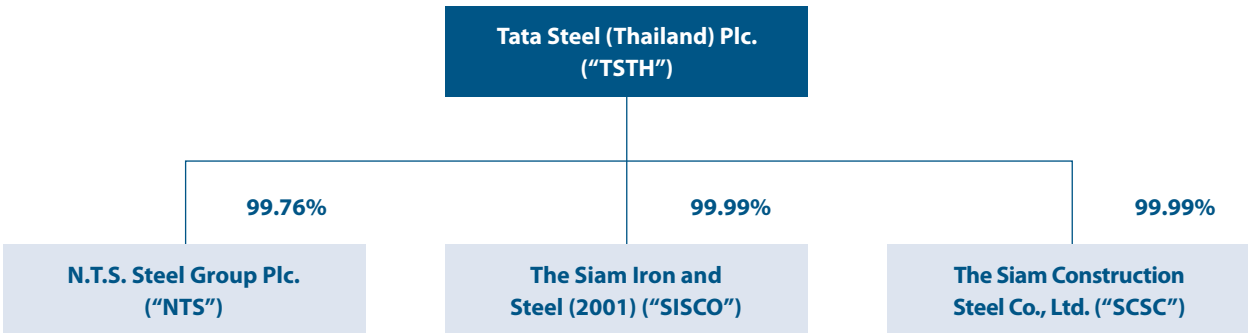
BUSINESS DESCRIPTION OF THE COMPANY AND ITS SUBSIDIARIES

Tata Steel (Thailand) Public Company Limited, former ly known as Millennium Steel Public Company Limited was established as a joint venture project between N.T.S Company whose shares were held by Horrungrueng Group and SISCO and SCSC Company whose shares were held by Siam Cement Holding Limited.

The company operates its business as a Holding company with shareholding in its three subsidiaries namely N.T.S, SISCO and SCSC. The three subsidiaries produce rebars, wire rods, small section, and Special Bar Quality Steel administered by a management team comprising of those who specialized in making steel from Tata Steel, India and a good knowledge management team from N.T.S, SISCO and SCSC Company.

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

SHAREHOLDING STRUCTURE



TYPE OF PRODUCTS

1. REINFORCEMENT BARS ("REBARS")

The product line consists of round bars and deformed bars with diameter in sizes 6-25 mm and 10-40 mm, respectively. The round bars are produced in accordance with Thai Industrial Standards Institute (TIS) No. 20-2543, grade quality: SR 24 and deformed bars are produced in accordance with Thai Industrial Standards Institute (TIS) No. 24-2548, grade quality, SD 30, SD 40 and SD 50. Rebars are used by the construction sector and primarily for reinforcement of concrete in applications such as roads, bridges, footing, buildings, houses and general use,

The Company's major shareholder is the Tata Steel Global Holdings Pte. Ltd. ("TSGH"), a wholly owned subsidiary of Tata Steel Limited ("TSL"), and which operates its business as an investment company with its head office at Singapore. TSL is a registered company incorporated under Indian Laws and is among top three integrated steel producers of India. Though TSL (Indian operations) is in the same industry as the Thailand based Company, its product range is much more diversified and the company caters to a wide group of customers. TSL also extends support to TSTH in the business operations by providing assistance in technology, knowhow, treasury and finance, training of people and International sales through its network of offices. Along with Singapore operations, TSL drives the long products strategy in India & SE Asia in an integrated manner.

POLICY ON DIVISION OF OPERATION BETWEEN COMPANIES WITHIN THE GROUP

The Company has a policy to allocate production at each of its subsidiary with an objective to maximize contribution of the company as a whole. The product mix is derived based on the technical and production capability of each plant and specific decisions to roll a particular product is based on the market needs and customer requirements.

etc. During the year, the company developed 14 mm Rebar for exports into Laos and Cambodia. The product has been well received in both the countries.

Additionally, the Company developed and commercially supplies rebar product suitable for seismic zones under the brand umbrella of TATA TISCON S and called it as Super Ductile Rebars, with grade quality of SD 40 in diameters of 10 to 40 mm. This Rebar product complies with the international quality standard and provides higher safety and protection to the building structures in earthquake prone zones, as well as severe storm and storm surge.

2. LOW CARBON WIRE RODS (“LCWR”)

LCWR is of grade quality: SWRM 6-22, SWRY11 and SWRCH6A-22A. The size range is 5.5-16 mm and these are produced in accordance with Thai Industrial Standards Institute (TIS) No. 348-2540, JIS G3503 (1980) and JIS G3507 (1991) respectively. These are used as raw materials by the wire industry that in turn make wire products for Construction & General Engineering sector for applications such as binding wire, nails, wire mesh, galvanized wire, barbed wire, welding wire, cold drawn wire, screw and nuts, etc.

3. HIGH CARBON WIRE RODS (“HCWR”)

HCWR conforms to: SWRH 27 - 82. The size range is 5.5 - 19 mm in diameter and these are produced in accordance with Thai Industrial Standards Institute (TIS) No. 349 - 2548. These are used as raw materials by the wire industry for construction, such as PC wires and PC strand, compression springs, extension springs, torsion springs, slings etc.

4. SMALL SECTIONS

Small sections have various forms such as angles and channels.

These are produced in accordance with Thai Industrial Standards Institute (TIS) No. 1227-2539, grade quality: SM400-570 and SS400-540. These products serve as end use products in construction sector with applications such as roof structures, electricity poles and billboards etc.

5. SPECIAL BARS QUALITY (“SBQ”)

SBQ is a round steel bar in plain carbon steel in the size range of 19 - 40 mm. These are produced in accordance with JIS G3101 (1995) for SS400 grade for General Engineering applications. For special usage, SBQ is produced to JIS G4051 (1979) spec in grades S10C - S50C. These products serve Automotive and General Engineering sector.

6. CUT AND BEND (“CAB”)

Cut and Bend products are ready to use products for the construction sector and have been developed for the customers to assist in time saving, labor, transportation cost reduction and to provide better yields with less losses from cut and bend by themselves at the construction sites.

PRODUCTION CAPACITY OF TATA STEEL (THAILAND)

	NTS	SISCO	SCSC	Total
Products				
- Rebars	450,000	-	500,000	950,000
- Wire rods	350,000	300,000	-	650,000
- Small Sections	-	100,000	-	100,000
Total capacity (tons per annum)	800,000	400,000	500,000	1,700,000

Source : Tata Steel (Thailand) Plc

With the total finished goods production of 1,107,900 Ton, the production capacity utilization for the financial year ending in March, 2015 stood at 65%.

MANAGEMENT STANDARD SYSTEM

TSTH's subsidiaries namely, SISCO, SCSC and NTS have adopted international standards. SISCO and SCSC are certified to ISO 9001:2008 and NTS is certified to ISO 9001:2000 (International standard in Quality Management System). In addition, the Company realizes the importance of the environment control and therefore SCSC, NTS and SISCO are certified to ISO 14001:2004 (International standard for the environmental control) and NTS is certified to ISO/IEC 17025 : 2005 (General requirements for the competence of testing and calibration laboratories).

The Company is well aware of the importance of the safety in the workplace for its employees. SISCO and SCSC are certified to TIS 18001:2554 & OHSAS18001:2007 (International standard of Occupational Health and Safety Management Systems).

TATA STEEL THAILAND PROCUREMENT DIVISION

Procurement Division of Tata Steel (Thailand) is responsible for the purchase of metallic scrap, steel billets, raw materials, goods for maintenance, repair and operations (MRO Goods), services and inbound logistics. The team consists of around 50 professionals, located at the Head Office in Bangkok and at three plant sites in Chonburi (NTS), Saraburi (SISCO) and Rayong (SCSC).

Procurement division focuses on sourcing appropriate quality of products and services within required lead time to match with the inventory and production plan of the company so as to maximize value and benefit to the company.

Procurement team in consultation with Supply Chain department regularly forecasts product and service requirements to maintain inventory level suitable for production plan and support production process continually at the same time.

The local sourcing strategy is aligned to the procurement strategy of the Tata Steel Group and derives synergy in the market place by leveraging the Group procurement model. In addition, Tata Steel (Thailand) is focused on continuous improvement in procurement processes by implementing dedicated Procurement strategies per spend-category, increasing strategic sourcing contract coverage and enhancing supplier relationship management for chosen strategic vendors and categories. Automation of repetitive order items is an integral part of these change processes, aimed at reducing costs and time, which in turns allows for better engagement on strategic sourcing. This has been made possible due to development of suitable processes, techniques and people over a period of time.

The Procurement Process of Tata Steel (Thailand) has been managed with high standards and consistency. To further improve on the same, Tata Steel (Thailand) engaged a leading consulting firm during the year to deep dive in the existing processes and recommend improvements with a perspective to improve long term profitability.

The company recognizes the value of sourcing quality products and service and simultaneously keeps good relationships with vendors and stakeholders. Procurement team has implemented Supplier Relationship Project with strategic vendors to improve processes in collaboration with entire value chain namely suppliers, procurement team and end users. This facilitates regular exchange of knowledge and best practices across the stakeholders leading to reduction in system cost.

Tata Steel (Thailand) sources raw materials and products both from domestic market and through import by focusing on the quality at reasonable price. Proportion of domestic and import supply is approximately 80 percent and 20 percent respectively. Share of domestic buying is higher due to shorter lead time, lower transportation costs and to avoid risk due to fluctuation in currency exchange rate.

Moreover, Tata Steel (Thailand) has incorporated safety as an integral part of sourcing products and services. This covers not only employees of the company, but also contractors, sub-contractors and transportation service providers. The company has implemented a regimented contractor selection process to ensure that all stakeholders who work in the plants follow required safety standards.

STRUCTURE OF TATA STEEL (THAILAND) PROCUREMENT

Procurement Division of the company is organized as per spend in major 5 functions, focusing on different spend categories described as under:

1. METALLIC

This represents over 75% of the total spend of the company. Sub categories include domestic scrap, imported scrap and billets in different grades. Basic strategy is to maximize domestic scrap sourcing and procure required quantity of imported scrap in close co-operation with the global Tata Steel Group Procurement network. During the year, Tata Steel (Thailand) has used domestic scrap accounting for almost 80% of the total requirement. Strategic partners play an important role in meeting scrap requirement of the company and service approximately 50% of total scrap volume. Moreover, the domestic scrap supply market is segmented in several vendor segments and the Metallic procurement team has developed tailored commercial strategies for these segments, thereby supporting the overall Metallic procurement strategy to drive optimum Value-In-Use at each of the three plants.

2. MAINTENANCE REPAIRS AND OPERATION GOODS

This department is predominantly working on sourcing (technical) MRO Goods, including Graphite Electrodes, Bearings, Rolls, Fuel and Fluid Systems, Water Treatment System, Natural Gases, Filter, Belt-Chain and etc. These categories typically require close co-operation between (plant) engineers and the procurement team. During the year, requirements of the three locations have been combined (where ever possible) to derive the benefit of scale.

3. RAW MATERIALS, INBOUND LOGISTICS AND COOPERATE SERVICES

Raw Materials team handles the procurement of Ferro Alloys, Refractory and other additives used in the Electric Arc Furnace. Most of these items are sourced in close cooperation with Hubs in India, Singapore, UK and the Netherlands. Key strategy is to find the right source of supply with optimum value and price combination suitable for Tata Steel (Thailand) operations.

Inbound Logistics and related services are structured to handle import cargoes. This team works in close co-operation with the Tata Steel Group Shipping & Logistics team. Key goal is to manage inbound logistics in such a way that all cargoes reach the end users on time, with optimal costs in the safe manner.

4. PLANT PROCUREMENT

Many service and supply activities pertain to the day to day operations of the plants. Therefore, Tata Steel (Thailand) has as signed a department to serve the internal end users with smooth and flexible procurement processes. The department has the staff stationed at the plant sites, which allows close collaboration and ensures highest service levels to meet the internal customer's expectations.

5. PROCUREMENT DEVELOPMENT AND SUPPORT

In order to bring alignment with Tata Steel Group procurement policy, Procurement Development and Support is structured to develop and improve working process, master data maintenance and communicate procurement information in a clear and transparent manner to the internal and external stakeholders.

RISK FACTORS

1. METALLIC AND RAW MATERIAL PRICE FLUCTUATIONS

The main raw material for the production system is steel scrap. As the same is available in limited quantity, price of scrap can change quickly with the fluctuation in demand and supply both in domestic and overseas market. Last year saw sharp market price fluctuation in line with movement of Iron Ore price changes in international market. This impacted the steel industry significantly. One of the main triggers for this was slow down in domestic consumption of steel in China for the first time in last many years. With the drop in iron ore price due to increased supply and weak domestic demand, China resorted to high exports of steel. 2014 saw almost 50% increased steel exports of finished products from China. A significant proportion of the same came in ASEAN and Thailand. As a result, domestic production in Thailand dropped

which in turn impacted the demand and prices of scrap especially in Oct 2014 – March 2015 period.

Tata Steel (Thailand) has developed integrated planning models that facilitate close working between sourcing of raw material and marketing of finished products to respond to the rapid changes in market place. The process facilitates optimization of overall system inventory. Procurement team through its strong relationship with the chosen suppliers and being in close contact with the market, forecasts the price movement. Throughout the year, the company operated on a lean inventory to minimize the impact of key raw materials price fluctuations.

2. FLUCTUATION OF CURRENCY EXCHANGE RATE

The proportion of imports (raw material and other products) is about 20% of the total spend for the company. Close liaison between the Procurement team and Finance department helps to plan appropriate financial tools to hedge the risk of fluctuation in foreign exchange.

3. CONSISTENCY IN QUALITY AND QUANTITY OF RAW MATERIALS

One of the major risk in steel manufacturing process is the fluctuation in quality of raw materials specially those of ferro alloys. This is because ferro alloys cannot be easily substituted on a short notice. This product is freely traded across the world and hence prices vary. Tata Steel Group has reduced the risk by setting up Lead buy through Singapore, India, Thailand and Europe to follow a consistent strategy within the Group and combine purchase volume to enjoy higher bargaining power. In the process, only reliable suppliers are contracted thereby reducing the risk of inconsistency in quality and to ensure that required quantities are always available.

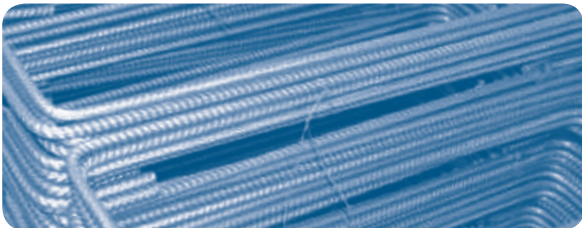
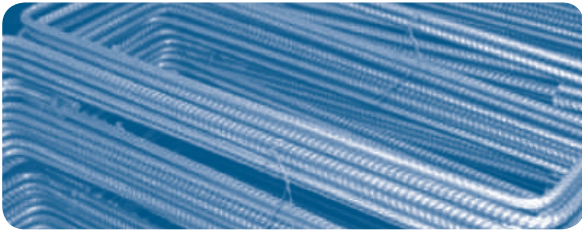
For other raw materials such as Natural gas which is used as fuel in production process, Tata Steel (Thailand) has entered into a long term contract with leading companies in Thailand. This ensures adequate quantity, required quality and stable price of fuel to all the manufacturing sites.

4. LABOR SHORTAGE

The company engages two types of labor at the manufacturing sites: skilled and general worker. For skilled, Tata Steel (Thailand) has established labor policies as regular employees providing staff training, welfare and emphasizing on safety awareness in the workplace. The company has policy about other benefits such as overtime wages and additional compensation due to working in a hazardous environment (dust, smoke or heat).

These facilitate building up employee motivation and skill development thereby improving plant productivity.

For general workers, Tata Steel (Thailand) outsources contractor and has welfare policies like accident insurance etc. However, this category of workforce is getting scarce in Thailand due to economic development of the country. Therefore, Tata steel Thailand compliments the shortage of general workers by engaging legal workers from nearby countries such as Myanmar, Laos and Cambodia to ensure that plant operations are not hampered due to shortage of manpower.



PROCUREMENT VISION AND CODE OF CONDUCT

Tata Steel (Thailand) has adopted Tata Code of Conduct (TCOC) and therefore drives strict compliance to the TCOC clauses across the procurement function. Some of the principles have been embedded as a “standard” across the Group Procurement, details of which are as given below:

- Ensure a single face to the market
- Maximize value and innovation through our supplier & end user relationships
- Seek contract relationship that represents fair value for all stakeholders
- Align and integrate our objectives with those of our end users in the development of sourcing strategy
- To support deployment and use of common tools and standards across procurement
- To facilitate compliance across the business entities
- Maintain highest level of ethical standards, transparency in dealing and compliance to the Code of Conduct



MARKET SITUATION AND COMPETITION

MARKET

DOMESTIC MARKET

1. REBARS

The product is distributed through a network of dealers in Bangkok metropolitan areas including in upcountry regions of Thailand. In terms of direct sales by the company sales executives, the product is sold directly to the contractors and project owners in greater Bangkok. The position of TATA TISCON has been strengthened as the largest selling brand in Thailand with sustainable market share. The by-region marketing approach is unique and different from other approaches adopted by most competitors who focus on sales in Bangkok metropolitan and its satellite areas. The sales volumes in these areas are less volatile and product commands a higher premium than the next best in class brand. In its endeavor to improve the product mix, last year the Company emphasized on the promotion of the seismic resistant rebar, TATA TISCON S Super Ductile for the upcountry market of Chiang Mai. The product has been well received and efforts are underway to increase the reach further to other high seismic zones.

2. WIRE RODS

LCWR, the low carbon wire rods category is supplied to the producers of finished goods like nails, fences, mesh etc. The special wire rods like HCWR Y11 and CHQ are supplied to the wire drawers who make finished goods such as PC wire, PC strand, welding rods, electrodes fasteners, tire bead wire and wire springs. These products are sold directly to the customer accounts by sales team of the company.

3. SMALL SECTIONS

The existing distribution channel for this product is through the dealers who in turn re-distribute this to the construction contractors and fabricators.

4. SPECIAL BAR QUALITY

The company sells directly to the manufacturers who, in turn, serve automotive and general engineering sector and bright bar makers.

5. CUT AND BEND

This is a special service provided to the contractors wherein customized shaped steels are supplied directly to the project site based on the bar cut list schedule obtained from the customers. It can reduce loss from cutting and bending at the project site while efficiency and productivity can be improved with less labor expenses resulting in saving of time. The product is directly serviced at project sites by the company sales team.

Further, the Company has a plan in place to develop and introduce new products regularly, especially the high-value special wire products in automotive sector such as rod ER70S-6 wire for using as CO2 welding wire; SWRH77B wire for producing motorcycle's shock absorber; and 10B21, 10B22 wire for producing nuts and screws in automotive and construction sectors.

EXPORT MARKET

The company exports Rebars and Wire Rods to the neighboring countries such as Laos, Myanmar, Cambodia, Vietnam, Indonesia and the Philippines through existing and market specific distribution network, located in the foreign country. The Company also exports Rebars to India in consultation with Tata Steel India's distribution network.

SALE BY CHANNEL

Sale Channel	Fiscal Year			
	2014-2015	2013-2014	2012-2013	2011-2012
Direct marketing	34%	38%	46%	48%
Regional Distributors	17%	16%	13%	14%
Greater Bangkok Distributors	49%	46%	41%	38%
Total	100%	100%	100%	100%

INDUSTRY OUTLOOK AND COMPETITION

DOMESTIC MARKET

The Company's competitors can be divided into two groups namely, the manufacturers with Electric Arc Furnace (EAF) and Non-EAF manufacturers or re-rollers. Those who have EAF, procure the feedstock "scrap" from domestic and international sources as it is used as a raw material to produce semi-finished goods i.e. billets, which in turn are used to produce finished products i.e. Rebars, wire rods, small sections and special bars. Non EAF manufacturers or Re-rollers, on the other hand, purchase billets from open market to produce the finished goods.

Comparing long product steel production capacity in the country and domestic demand for the same, it is quite clear that production capacity far exceeds current and future demand for the next few years. During 2014, domestic production of long products dropped by approximately 1% compared to 2013 while imports grew by approximately 9% over 2013. Bulk of these imports comes from China which grew by 19% over previous year in Thailand. China is witnessing a slowdown of domestic construction segment over last few quarters. However steel production has not been corrected accordingly. In addition, Chinese government provides attractive incentives for exports of finished products. All these have contributed to significant increase of finished steel products from China resulting in severe pressure on prices in Thailand and nearby geographies.

INTERNATIONAL MARKET - EXPORT

The company is regularly engaged in exports to ASEAN countries like Laos, Myanmar, Cambodia, Vietnam and Indonesia. It also exports Rebars India in order to increase its net revenues. Due to superior product quality and service levels as compared to the competitors, Tata Tiscon brand enjoys price premium in neighboring countries. The company maintains a consistent

presence in these countries that has resulted in increased loyalty by our esteemed customers. The competition is mainly from local mills, Vietnam and China. Exports accounted for about 7% of company's total sales during the current financial year.

INDUSTRY OUTLOOK :

Global steel consumption grew by 0.6% in 2014 over 2013 as per data released by World Steel Association. Bulk of the growth came from developed economies which saw an increase in steel consumption by 6.2% over previous year. In contrast, developing and emerging economies (including China) saw a decline of 1.3%. China saw a drop of approximately 3.3% in domestic steel consumption for the first time in last 2 decades. Excluding China, the steel consumption grew by 2.3% in developing and emerging economies. ASEAN region registered a growth of 4.2% in this period compared to 2013.

As per National Economic and Social Development Board (NESDB), Thailand registered a marginal GDP growth of 0.7% in 2014 over 2013. Main reasons include delay in the government infrastructure investment projects and the political uncertainty for initial part of the year resulting low consumer confidence and consumer spending. This in turn affected foreign investments and as well as investment from the private sector. In terms of steel long products, there was a growth in domestic consumption of approximately 3% over 2013. This was mainly due to increased imports of low priced steel from China.

TOTAL LONG PRODUCT STEEL CONSUMPTION DURING 2012 - 2014

	Production (MT)	Growth (MT)	Imports (MT)	Growth (%)	Exports (MT)	Growth (%)	Apparent Consumption (MT)	Growth (%)
2014	3.94	-1	3.18	9	0.95	-1	6.17	3
2013	3.96	-2.2	2.93	18.1	0.96	7.0	5.93	5.1
2012	4.05	11	2.48	25.9	0.89	3.5	5.64	18.5

(Source: Iron and Steel Institute of Thailand)

STEEL INDUSTRY OUTLOOK FOR THE YEAR 2015-2016

As per World Steel Association, world steel consumption is expected to grow by 0.6% in 2015 over 2014. ASEAN region, India and Turkey are expected to deliver healthy growth rates. ASEAN is projected to grow by over 6%. Slowdown in China is expected to continue albeit at a slower rate of approximately 0.5% year on year for the next two years.

The challenges connected to excess capacity especially in China are expected to continue. Increased exports aided by incentives offered by the Chinese government are likely to impact prices in the affected markets including Thailand.

GDP growth rate in Thailand is expected to be in the range of 3-3.5% as per estimates (National Economic and Social Development Board and other sources). Government is expected to expedite various investment projects, especially infrastructure investments on road, rail system, and mass rapid transit system development. This will have positive impact on demand for Construction steels. Projected growth in steel consumption in the country is over 5% as per estimates from ISIT. Overall exports are projected to grow at a nominal rate of 0.5 – 0.8% over previous year.



At Tata Steel (Thailand), Enterprise Risk management (ERM) framework & the governance structure has been aligned to Tata Steel (TSL) Group framework. The TSL Group ERM framework is based on practices from COSO and ISO:31000. ERM is an integral part of the Long/ Medium term planning process to enable organizational sustainability. This has helped to have a forward looking approach to risk management. The approach enables the Company to counter and mitigate various risks and simultaneously allows it to pursue available opportunities for the long term benefit of the business.

Being an enterprise in the steel arena, quite expectedly, the company encounters several risks in areas of commercial, operations, IT, HR etc, accordingly, a risk portfolio matrix has been developed consisting of all known business risks, followed up with a detailed analysis of business environment, market condition and risk mitigation plan with process owners. The risks are categorized into A, B & C category based on likely hood of its occurrence & its impact to business. Category A risk being high on risk metric. We give below an assessment of management approach in various types of risks.

The CY 2014 ended with lot of optimism, Govt of Thailand taking positive steps in announcing roll out of mega infrastructure projects specially rail corridors, new MRT lines for Bangkok etc. There has been political stability in latter part of the year with consumer confidence increasing. However the GDP, which is an indicator of economic growth for a country grew at 0.7% only with major steel consuming sectors Automotive & construction showing negative growth. Total apparent steel consumption came down in 2014 by almost 4.5% YOY compared to 2013. The overall prices of steel reduced in line with drop of commodity prices around the world. The year was tough for scrap based steel manufacturers as scrap prices remained strong till Sep'14 end and aligned with dropping Finished Goods prices in later part of H2 Fy15. Against the back drop of low GDP growth, low sales are on account of low demand coupled with increased imports resulting in continued pressure on spreads. TSTH stayed focused on launch of new products & services. In addition, to address volatility in market place the company focused on reduction in conversion cost, fixed cost and optimizing its working capital finishing the year better than previous year in these areas. The company honored its financial commitments during the difficult conditions and reduced its long term debt by 1,610 MB during the year.

Salient risks facing the business are as given below:

1. MARKET RISK

The demand for steel is linked to GDP growth of the country. The low GDP growth coupled with increased imports from China affected the production & sales volume of domestic steel producers. The imports also affected the prices of steel specially wire rods.

During the year the company strengthened its supplies of high strength construction Rebars, earthquake resistant Rebars and provided ready to use steel in form of cut & Bend and stirrups. All these product categories saw growth rates in excess of 100% compared to previous year. Small sections recorded sales better than previous year.

The Customer Service Teams have helped to capture the specific issues of the Customers and proactively design such products to meet the customer specific needs. Development of such products is under direct supervision of technical expertise from Quality Assurance & New Product Development department. In addition the company also uses resources at South East Asia regional and Tata Steel Group level. The technical expertise also provides inputs to customer on their operation there by providing complete solutions.

2. RISK OF RAW MATERIAL SUPPLY

Being dependent on raw material from the market, TSTH has the risk arising from volatility in quantity, prices of input materials and maintaining optimum inventory levels without affecting operations. As mitigation approach, the company has build relationship with network of domestic vendors. Apart from this, the company has also enhanced domestic scrap collection through yard management with key partners. Imports also provide a hedge to the risk since a timely contracting can help address both quantity and quality risk. The company has also initiated action on alternative sourcing of metallic to reduce the cost of input raw material. TSTH has made significant strides in last one year in this area and has taken assistance of the resources at the Tata Steel Group level.

3. RISK ASSOCIATED WITH MBF

The continued high prices of coke and iron ore compelled the company to mothball the furnace in August 2011. By ensuring a proper maintenance, the company has ensured good conditions of equipment. All relationships with partner suppliers have been managed well in this period of mothball. The company is actively discussing & evaluating options for disposal of MBF.

4. SAFETY, HEALTH AND ENVIRONMENT RISKS

The steel making operation has an inherent safety and workplace environment risk. While, steel operations per se do not involve hazardous materials, the operations are at high temperature and heavy loads are involved. Since, the steel plant has manning of contractor and own employees, it is essential to have a comprehensive safety management program. The company had embarked on safety excellence journey few years back. Over the past couple of years the systems & process were improved based on guidelines from TSL group SHE Department. The year gone by we started tracking lead indicators related to safety. The employees were motivated to report near misses and all first aid cases. This highlighted vulnerable areas and there by focusing our action on these areas. At TSL Group level, SHE organization was restructured with appointment of Vice President SHE for TSL Group. New level of enthusiasm was provided to SHE processes. Some key initiatives launched during the year: a) Apart from own employees we also take services of contract workers. As a TSL group the contractor safety has the same weighted as safety for own employees. The TSL Group started Contractor six step safety management processes which have also been deployed in Thailand operations. b) "FIND IT- OWN IT- FIX IT" campaign was launched c) "zero tolerance" approach to unsafe practices & d) Launch of Safety Competency Networks for sharing knowledge and best practices across TSL Group.

The Company and its subsidiaries accord high priority to utilize resources effectively and efficiently with appropriate environmental management regulation to minimize adverse impact to the community. Industrial Estate Authority of Thailand (IEAT) and Department of Primary Industries and Mines, Ministry of Industry has recognized efforts of NTS and SCSC on environment front. The main raw material used across all three locations is ferrous scrap and is fully recyclable. Company has adopted TPM framework and under loss structure reporting, employees identify the areas of wastage and implement project to minimize the energy consumption. Company conducts yearly energy audit by experts from Tata Steel Group. This enables appropriate warning system for any related risk.

5. HUMAN RESOURCE RISKS

Operating out of industrial zone and in the low unemployment region of Thailand, the company faces an obvious risk of attrition particularly in operating grade and supervisory grade employees. To understand the concerns of employees, the company availed the services of external HR consultant to do the Employee Engagement Survey. The outcome of the survey

was discussed in detail at the Corporate HR meeting and as a result at each vertical, Employee engagement Champion team was formed to listen and take suggestions from employees, with objective to address the concerns raised by employees. The initiative was named "TOGETHER". Suggestions given by various engagement Champions team was discussed at HR meetings and the suggestions were categorized for ease of implementation. In addition the company provides career growth opportunities as well as extensive personnel development programs on functional and managerial needs to improve the competency level of employees thereby inducing loyalty. Second batch of "LOT" (Leaders of tomorrow) was concluded to give a fast track career growth opportunity to employees for their development. Team building sessions were also initiated across TSTH locations to foster team working spirit. The company also started regional exchange programme for learning & sharing best practices within SEA.

6. FINANCIAL RISK

Financial risk covers all financial commitment the company has to the external world. Ensuring that the commitments are honored as per contracts, assumes highest importance within the TSL group. The company has adhered to all its commitment during the year and will keep a close watch with zero tolerance to non compliance. The Forex 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 NATURAL CALAMITY

Due to its location in 4 different geographies, the company's inherent risk to natural calamity is relatively moderate. The steel plant at SARABURI which is generally hit by floods was not affected last year. The other two plants are in East of Thailand and as such relatively safe. However, the company is aware of the risk associated with operating in industrial area and has accordingly taken extensive insurance coverage related to natural calamity and all industrial risks. The company does emergency handling procedures at all its facilities, and a structured periodical 'mock drills' are done to ensure effectiveness of such procedures. Disruption to business operation is effectively addressed by flexible supply chain management and switching operation amongst the three production units.

2002

- The Company established as a Public Company Limited named “Millennium Steel Public Company Limited” (MS).
- Successfully merged the Company business among NTS, SISC and SCSC, last two of which were subsidiaries of Cementhai Holding Company Limited (CHC).
- The Stock Exchange of Thailand (SET) approved the Company securities as listing securities and started trading under the sector of “REHABCO” (Rehabilitation Plan).

2004

- The SET authorized the Company securities to resume trading at the sector of “CONMAT” (Construction and Furnishing Material)

2005

- CHC agreed to sell all MS shares pursuant to the Blinding Offer of Tata Steel.

2006

- Tata Steel Groups submitted their voluntary tender offer to all Company's shareholders.
- The Company major shareholders changed from “CHC” to “Tata Steel Group”
- The Company name changed from “Millennium Steel Public Company Limited” to “Tata Steel (Thailand) Public Company Limited”.
- The SET announced the change in stock symbol trading from “MS” to “TSTH”.

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).

2008

- The Company paid the annual dividend payment for the year 2007-2008 to all preferred shareholders 20 August and ordinary shareholders at the rate of Baht 0.076 per share (20% of its net profit).

2009

- The Mini Blast Furnace (MBF) 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”
- Mini Blast Furnace mothballed in August 2011 due to cost of imported raw materials.
- TATA Tiscon Branded rebar launched in August 2011.

2012

- The Company enters the Special Bar Quality steel market, only producer of this product in Thailand.
- The Company launches seismic resistant rebar for earth quake prone areas, first time in Thailand.

2013

- The Company was recognized by the Stock Exchange of Thailand for Outstanding CSR Award and CSRI Recognition award.
- NTS, one of the subsidiary has been awarded with Prime Minister's Industry Award - Safety Management.

2014

- The Company was recognized by the Stock Exchange of Thailand for Outstanding CSR Award and CSR Recognition award.
- NTS, one of the subsidiary has been awarded with Prime Minister's Industry Award - Quality Management.

SHAREHOLDERS

Top ten major shareholders from 7,422 Shareholders on the book closing date on June 3, 2015 for the right to attend the Fourteenth Ordinary General Meeting of Shareholders are detailed below;

	Name	Ordinary Shares	%
1.	TATA STEEL GLOBAL HOLDING PTE LTD	5,718,472,083	67.90
2.	MR. VEERAPHAN THEEPSUWAN	417,237,600	4.95
3.	BANGKOK BANK PLC	296,050,796	3.52
4.	MR. VIROJ UNGPAIBOON	230,000,201	2.73
5.	EAST FOURTEEN LIMITED ^(a)	109,081,000	1.30
6.	J.P. MORGAN MARKETS LIMITED-CUTOMER REG. ACCOUNT	100,772,455	1.20
7.	MR. THEERACHAI KEERATITECHAKORN	79,216,200	0.94
8.	THAI NVDR COMPANY LIMITED ^(b)	53,978,260	0.64
9.	HORRUNGRUANG'S GROUP (Comprised of 8 natural persons)	43,009,240	0.51
10.	HSBC (SINGAPORE) NOMINEES PTE LTD	28,568,036	0.34
	TOTAL	7,076,385,871	84.03
11.	OTHER SHAREHOLDERS	1,345,154,977	15.97
	GRAND TOTAL	8,421,540,848	100.00

Remarks :

(a) Comprised of (1) EAST FOURTEEN LIMITED - OLD WESTBURY SMALL & MID CAP FUND (2) EAST FOURTEEN LIMITED - JOHN HANCOCK FUNDS (3) EAST FOURTEEN LIMITED - EMERGING MARKETS SMALL CAP SERIES (4) EAST FOURTEEN LIMITED - DIMENSIONAL EMER MKTS VALUE FD (5) EAST FOURTEEN LIMITED - DFA - TA WORLD EX US CORE EQ DFAIDG (6) EAST FOURTEEN LIMITED - DFA EMERG MKTS SOCIAL CORE PORT and (7) East FOURTEEN LIMITED - DFA EMERG MARKET CORE EQ PORT

(b) is a subsidiary owned by the Stock Exchange of Thailand. NVDR holders receive the same full financial benefits as they would receive had they invested directly in shares excepted the voting right of shareholders meeting. Further information regarding THAI NVDR COMPANY LIMITED can be found on www.set.or.th

As of June 3, 2015, TSTH has 7,286 of Non-Strategic Shareholders (Free-Float), is equivalent to 2,702,842,739 of ordinary shares, calculated from the total paid up ordinary shares of 8,421,540,848 or 32.09%

DIVIDEND PAYMENT POLICIES OF THE COMPANY AND ITS SUBSIDIARIES

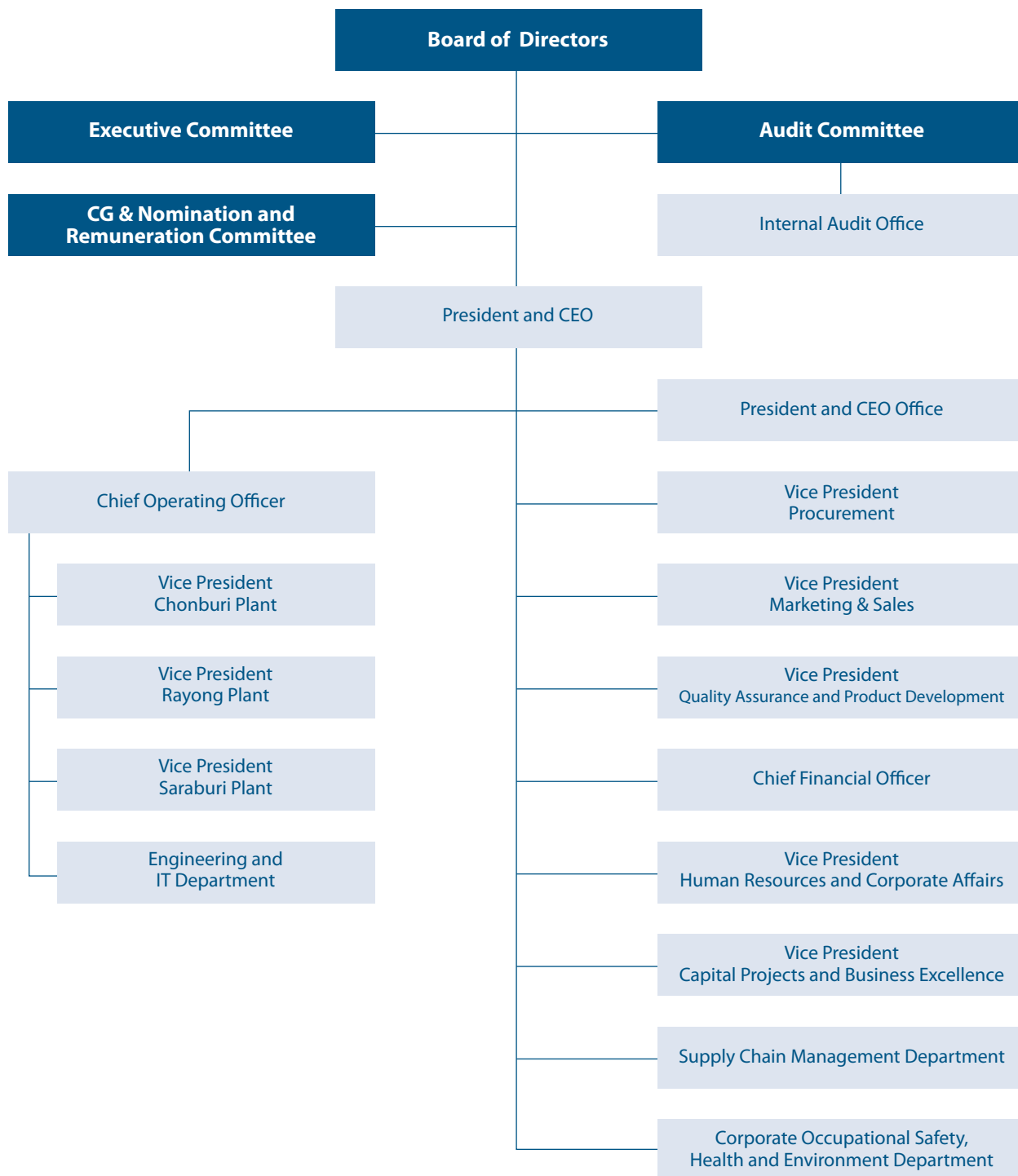
The Company has the policy for the dividend payment to the shareholders at the rate of not exceeding 40% of net profit after tax (after deduction of legal reserve) of consolidated financial statements by considering the relevant factors which shall not cause significant effect to the Company's business 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 generate 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

Company's management structure consists of the Board of Directors and Committees namely, the Audit Committee, Executive Committee, Corporate Governance, Nomination and Remuneration Committee and Management.



BOARD OF DIRECTORS

The Company's Article of Association specifies that The Board of Directors consists of not less than five and not more than 14 Directors. Currently, there are eight Directors with three Independent Directors.

AS ON 31 MARCH 2015**THE BOARD OF DIRECTORS**

	Name		Positions	Number of Meetings	Attendance During 2014-2015
1.	Mr. Koushik	Chatterjee	Chairman	7	7 (a)
2.	Mr. Maris	Samaram	Independent Director	7	7
3.	Asst. Prof. Rawewan	Peyayopanakul	Independent Director	7	7
4.	Mr. Hatasakdi	Na Pombejra	Independent Director	7	7
5.	Mr. Taratorn	Premsoontorn	Director	7	7
6.	Mr. Vivek	Madan Kamra	Director	6	5 (b)
7.	Mr. Peeyush	Gupta	Director	7	7 (c)
8.	Mr. Rajiv	Mangal	Director	7	7

Remarks :

- Director meeting attendance
 - Meeting through video conference 5 times.
 - Meeting through video conference 3 times, an apology for absence 1 time because of an urgent matter.
 - Meeting through video conference 4 times.
- Mr. Maris Samaram and Asst. Prof. Rawewan Peyayopanakul, audit committee members have knowledge and experience in accounting and financial matters to review the credibility of the financial statements.

THE AUDIT COMMITTEE

	Name		Positions	Number of Meetings	Attendance During 2014-2015
1.	Mr. Maris	Samaram	Independent Director	4	4
2.	Asst. Prof. Rawewan	Peyayopanakul	Independent Director	4	4
3.	Mr. Hatasakdi	Na Pombejra	Independent Director	4	3 (a)

Remarks :

- Director meeting attendance
- An apology for absence 1 time because of an urgent matter.

THE CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

	Name		Positions	Number of Meetings	Attendance During 2014-2015
1.	Mr. Koushik	Chatterjee	Chairman	4	4 ^(a)
2.	Mr. Maris	Samaram	Committee	4	4
3.	Asst. Prof. Rawewan	Peyayopanakul	Committee	4	4
4.	Mr. Taratorn	Premsoontorn	Committee	4	4

Remark :

Director meeting attendance

(a) Meeting through video conference 3 times.

ANNUAL GENERAL SHAREHOLDER MEETING FOR YEAR 2014

	Name		Positions	Number of Meetings	Attendance During 2014-2015
1.	Mr. Koushik	Chatterjee	Chairman	1	1
2.	Mr. Maris	Samaram	Independent Director	1	1
3.	Asst. Prof. Rawewan	Peyayopanakul	Independent Director	1	1
4.	Mr. Hatasakdi	Na Pombejra	Independent Director	1	1
5.	Mr. Taratorn	Premsoontorn	Director	1	1
6.	Mr. Vivek	Madan Kamra	Director	1	1
7.	Mr. Peeyush	Gupta	Director	1	1
8.	Mr. Rajiv	Mangal	Director	1	1



AUTHORIZED DIRECTORS AND BINDING SIGNATORY PROCEDURES

Mr. Koushik Chatterjee, Chairman of the Executive Committee and Mr. Rajiv Mangal, the President & CEO jointly sign with the Company's seal affixed, or Mr. Koushik Chatterjee, Chairman of the Executive Committee or Mr. Rajiv Mangal, the President & CEO jointly sign with Mr. Taratorn Premsoontorn together with the Company's seal affixed.

SCOPE OF AUTHORITY OF THE BOARD OF DIRECTORS

The Board of Directors has the duty and authority to manage the Company in compliance 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 loan 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.

SCOPE OF AUTHORITY OF THE AUDIT COMMITTEE

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 remove an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor 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.

SCOPE OF AUTHORITY OF THE MANAGEMENT COMMITTEE

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 may authorize any Executives with the authority to perform a specific function or functions deemed appropriate by the Executive.

SCOPE OF AUTHORITY OF THE CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

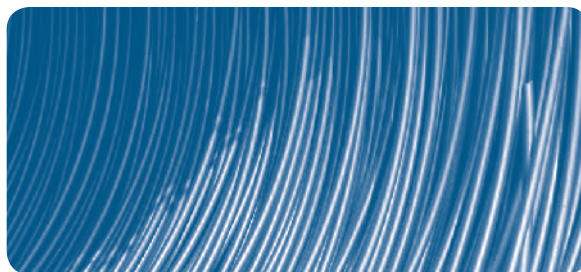
CORPORATE GOVERNANCE AND NOMINATION

1. To examine, review, and propose to the Board of Directors guidelines for corporate governance of the Company.
2. To advise the Board of Directors and the management in line with the Company's established corporate governance principles.
3. To present to the Board of Directors, norms and principles, as well as nominees for filling board vacancies as a result of directors' term completion or other cases. To join the Board, the nominees must obtain approval from the shareholders' Meeting.
4. To nominate prospective President to the Board of Directors for approval.
5. To facilitate directors in evaluating performance of the Board of Directors collectively and summarize the evaluation result to the Board of Directors so as to enhance the Board's supervision effectiveness.
6. Other duties assigned by the Board of Directors.



REMUNERATION COMMITTEE

1. To review and recommend remuneration for the Board of Directors and other board appointed Committees and propose to the Board of Directors and shareholders' meeting for approval.
2. To review and recommend remuneration (including Salary increase and Bonus) for the President, Sr. Management (COO and VPs) of the Company and propose to the Board of Directors for approval.
3. To 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. To review and recommend the budget for the salary increases, bonus and compensation for employees of the Company and its subsidiaries and propose it to the Board of Directors for approval.
5. To review and recommend salary increase and bonus for the President of the Company and propose to the Board of Directors for approval.
6. To approve salary increase and bonus for the Sr. Management (COO and VPs) of the Company and its subsidiaries based on the proposal given by the President.
7. Other duties assigned by the Board of Directors.



THE MANAGEMENT AS ON 31 MARCH 2015

	NAME		POSITIONS
1.	Mr. Rajiv	Mangal	President and CEO
2.	Mr. Thana	Ruangsilasingha	Chief Operating Officer
3.	Mr. Shishir	Vijay Pimplikar	Chief Financial Officer
4.	Mr. Siorote	Matemanosak	Vice President - Human Resources & Corporate Affairs
5.	Mr. Paitoon	Chuesook	Vice President - Procurement
6.	Mr. Biswajit	Ghosh	Vice President - Quality Assurance and Product Development
7.	Mr. Songsak	Piyawannarat Vice	President - Marketing & Sales
8.	Mr. Arun	Kumar Chowdhary	Vice President - Chonburi Plant
9.	Mr. Wanlert	Kanwiwat	Vice President - Rayong Plant
10.	Mr. Chaichalerm	Bunyanuwat	Vice President - Saraburi Plant
11.	Mr. Amit	Khanna	Vice President - Capital Projects and Business Excellence

Remarks The substantial changes relating to management during the year :

1. Mr. Biswajit Ghosh, being transferred back to Tata Steel Limited, India with effect from June 1, 2015.
2. Mr. Amit Khanna, became Vice President - Capital Projects and Business Excellence, replacing Mr. Chandra Mohan Verma on April 1, 2015.

SCOPE OF AUTHORITY OF THE MANAGEMENT

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.

the following duties and responsibilities:

1. Organize and facilitate board and board committee meetings.
2. Organize the annual general meeting of shareholders, and record and publish the related minutes.
3. File all documents and related records.
4. Monitor and ensure that the Board is in compliance with all related laws and regulations.
5. Handle corporate governance issues and provide advice on these to the Board.
6. Assist shareholders, directors and members of management with any board-related matters.
7. Follow up on all resolutions passed and instructions given by the Board and shareholders' meetings.

REMUNERATION OF DIRECTORS AND EXECUTIVES

The Company has clearly and reasonably set a policy and guideline on remuneration of Director and Executives so that competent Directors and Executives can be retained while not be over paid.

The Corporate Governance, Nomination and 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.

CORPORATE SECRETARY

On 21 July 2008, the Board passed a resolution to appoint Miss Pratana Sinhaneti as Company Secretary. She has knowledge and experience to carry out the functions of Company Secretary as well as being complete such the courses related to Company Secretary matter ie. Company Secretary Program, Fundamental Practice for Corporate Secretary. The Company Secretary has a dual reporting line to the Board and its committees. The Company Secretary has

However, the Company has no policy to pay the remuneration to the Executive who takes the position of the Director of the Subsidiaries. For remuneration of the President and Executives of the Company and its subsidiaries, the Board of Directors, by acknowledgement of the Corporate Governance, Nomination and Remuneration Committee, would consider on the duties, responsibilities, individual performance and Company's operating result in both short and long terms. The agreed baseline remuneration can create motivation in company's administration and implementation to achieve objectives and sustainable growth.

DETAILS OF DIRECTOR'S REMUNERATION

(in effective until resolved otherwise by the shareholders' meeting)

		Remuneration (Baht/year)	Meeting Allowance (Baht/meeting)
Board of Directors	Chairman	630,000	42,000
	Vice Chairman	525,000	21,000
	Director	472,500	21,000
Audit Committee	Chairman	168,000	15,750
	Director	115,500	10,500
Executive Committee	Chairman	0	15,750
	Director	0	10,500
Corporate Governance & Nomination and Remuneration Committee	Chairman	150,000	15,750
	Director	75,000	10,500

TOTAL REMUNERATION OF THE BOARD OF DIRECTORS

There are two types of financial remuneration for the Directors. These are fixed remuneration that is paid every quarter and a meeting allowance, which would be paid only to the attending Directors after each meeting.

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 THE DIRECTORS REMUNERATION IN 2014 - 2015

Name	Remuneration (Baht)				Total
	Board of Directors	Audit Committee	Executive Committee	Corporate Governance, Nomination and Remuneration Committee	
1. Mr. Koushik Chatterjee^(a) Chairman	0.00	-	-	-	0.00
2. Mr. Maris Samaram Independent Director, Chairman of the Audit Committee and Corporate Governance, Nomination and Remuneration Committee	691,500.00	231,000.00	-	117,000.00	967,500.00
3. Asst. Prof. Rawewan Peyayopanakul Independent Director, Audit Committee, Corporate Governance, Nomination and Remuneration Committee	619,500.00	157,500.00	-	117,000.00	894,000.00
4. Mr. Hatasakdi Na Pombejra Independent Director, and Audit Committee	619,500.00	147,000.00	-	-	766,500.00
5. Mr. Taratorn Premsoontorn Director and Corporate Governance, Nomination and Remuneration Committee	619,500.00	-	-	117,000.00	736,500.00
6. Mr. Peeyush Gupta Director and Executive Committee	535,500.00	-	-	-	535,500.00
7. Mr. Vivek Madan Kamra^(b) Director and Executive Committee	0.00	-	-	-	0.00
8. Mr. Rajiv Mangal^(c) President and CEO and Executive Committee	160,125.00	-	-	-	160,125.00
9. Mr. Peter John Hogg^(d) Director and Executive Committee	32,452.00	-	-	-	32,452.00
Total	3,206,077.00	535,500.00	-	351,000.00	4,092,577.00

Remarks

(a) Informing not to receive director's remuneration since March 1, 2013.

(b) Informing not to receive director's remuneration since April 25, 2014.

(c) Informing not to receive director's remuneration since September, 2014.

(d) Stepped from the director with effect from April 25, 2015.

THE AMOUNT AND TOTAL REMUNERATION OF DIRECTORS AND MANagements

TOTAL REMUNERATION OF THE MANAGEMENT TEAM

Total remuneration in terms of salary and bonus for the Financial Year 2014-2015 (1 April 2014 - 31 March 2015) was Baht 47.32 million

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 TEAM OF CORE BUSINESS SUBSIDIARIES

Total remuneration in terms of salary and bonus for Financial Year 2014-2015 is included in the remuneration of the Company's management team mentioned above

OTHER FORMS OF REMUNERATION (IF ANY)

OTHER REMUNERATION PAID TO DIRECTORS

There is no other remuneration i.e. bonus, pension and other privilege paid to directors.

OTHER REMUNERATION PAID TO MANAGEMENT TEAM

• Provident Fund

The Company has contributed to the provident fund for all Management of the Company and its subsidiaries at the rate of approximately 10% of total payroll. The contribution in Financial Year 2014-2015 on this account was Baht 3.49 million

• Company Car

The Company has provided and maintained cars for Management.

Currently, the Company has no policy to offer Executives with the Employee Stock Option Program (ESOP) or Employee Joint Investment Program (EJIP). The compensation for Management is dependent on norms based on Company's operating results, individual performance, duties, responsibilities and potential.

EMPLOYEES

The total number of employees of the Company and its subsidiaries as at 31 March 2015 was 1,245. For the Financial Year 2014-2015, the company has paid remuneration to its employees totaling to approximately 219.46 million Baht. The remuneration included salary, overtime, variable bonus, cash allowance, social security and provident fund.

In addition, the three subsidiaries have also paid in the same way to their employees an amount of approximately 577.82 million Baht.

NUMBER OF THE EMPLOYEES AND REMUNERATION

FY 2014-2015 (as of March 31, 2015)		Tata Steel (Thailand) Plc.	N.T.S. Steel Group Plc.	The Siam Iron & Steel (2001) Co., Ltd.	The Siam Construction Steel Co., Ltd.
Management Employee	(numbers)	47	10	7	7
Supervisory Employee	(numbers)	161	65	58	50
Operational Employee	(numbers)	68	307	217	248
Total	(number)	276	382	282	305
Employee in the Head Office	(number)	153	-	-	-
Employee's Remuneration	(MB)	219.46	234.58	166.73	176.51

During the past 3 years, the company has no significant increase or decrease in employees' number and has not faced any significant labor disputes.

HUMAN RESOURCES AND DEVELOPMENT

The Company focuses on recruitment and selection of capable staff according to the qualifications specified for each Job, outlining knowledge, skills and other attributes for every position to achieve the desired performance. In addition, the Company also stresses on the performance in compliance with core business values and corporate culture, including readiness for change to respond to rapidly changing business environment and related challenges.

The Company gives priority to continuously develop human resource at all levels and takes responsibility for professional development and career growth of its staff by focusing on four areas. The same are:

- (1) Core foundation knowledge required in all functions, i.e., Safety, Business Ethics, Tata Values, Corporate Culture, Total Quality Management (TQM), Total Productive Maintenance (TPM) etc.
- (2) Functional Development
- (3) Business Development
- (4) Leadership Development

Each year the Company prepares **Individual Development Plan (IDP)** for every employee, covering multiple approaches for development that includes classroom training, on the job training and self-learning. The intention is to have a development approach that creates meaningful experience for employees, including Job Rotation, Special Assignment, be a member in cross functional task force, Best Practice Sharing and Site Visit (both domestic and overseas). Employees have opportunities to seek scholarship to continue the higher education such as a master degree in engineering and/ or business administration in local and overseas educational institutions.

The Company provides to staff appropriate career advancement opportunities in accordance with their potential and capability. Career Path for staff at each level has been clearly defined. Since 2012-13, the Company initiated a new project called as **“Leaders of Tomorrow (LOT)”** with an objective to select high potential employees who have proven performance and loyalty to the company and can take forward the company in future. Fast track advancement is extended to such chosen potential leaders and a long-term development plan for this group of employees has been prepared. Mentors from senior management team are assigned to the LOT candidates to guide them to become good leaders in the long run.

The Company stresses on fair and appropriate remuneration to the new employees, taking into account Internal, External and Individual Equity. Different Human Resources Management tools and processes are applied as deemed appropriate and are closely reviewed by their supervisors and the Human Resources Committee. The Company gives high priority to quality of life and well-being of staff and their families including parents by providing various benefits and welfare funds. Some of them are holidays and paid leaves, health care both in and out patients, dental care, annual health check, provident fund, uniform, travelling allowances for business trips, emergency loan and etc. There are many religious and customary events organized for staff and their families to encourage participation throughout the year, for instance, making candles and candles procession during Buddhist Lent, Songkran festival and other sporting and entertaining activities. Birthday activities are regularly arranged for the staff to build camaraderie in the team. Others major activities that are carried out include Children's day, Valentine's day, Chinese New Year day, Father's day, Mother's day, Tata Group founders' day and others. Each year the Company conducts the Employee Engagement and Satisfaction Survey. During the financial year 2014 – 2015, the Company has initiated Project **“TOGETHER”** in which representatives from different functions and units are selected as “Engagement Champions”. The Engagement Champions, together with their respective teams determine the improvement plan to increase the employee engagement and satisfaction. The initiative provides employees a platform to express their ideas and helps improve their engagement to a higher level.

The Management strives on building good relationship with the employees by promoting two way communications through regular updates on business performance to all employees. The same is led by President and CEO along with key senior management. Such meetings are held at all the three plants as well as at Bangkok office every quarter. At the next level, respective Vice Presidents hold periodic dialogues at the plants. The management encourages open question and answer session to facilitate free flow of communication. Communication is strengthened through notifications, announcements, internal circulation of newsletters and magazines, intranet postings, etc.

CORPORATE GOVERNANCE POLICY

The Company is determined to encourage and support the principles of good corporate governance along with its business operation because it realizes that good corporate governance would drive management system towards efficiency, transparency and accountability. This would enhance the confidence of the shareholders, investors, stakeholders and all relevant parties, which leads to a sustainable growth and increases value for the shareholders in the long term.

Therefore in addition to conduct business with highest standards of organizational and individual behaviour by strictly compliance with the Tata Code of Conduct ("TCoC"), the Company has documented its policy and principles of good corporate governance in the Company's "Good Corporate Governance Manual" since 2005. It has been reviewed and improved to make it up-to-date and aligned with the changing environment. The second update was done in 2009. Its comprises of principles and practices, structure, roles and responsibilities of the Board of Directors and other Committees, rights of stockholders and fair treatment of stockholders, stakeholders consideration and internal control and risk management system.

OTHER COMMITTEES

STRUCTURE OF COMMITTEES

Currently the Board of Directors consists of eight members, three of whom are independent Directors as specified in the Company and SEC's regulation, together with five non-executive Directors and Directors representing major shareholders. The Company's Directors are knowledgeable and have broad experiences covering law, accounting, finance and steel business. The Company has defined that the Chairman, as the policy leader, and the President & CEO, as the leader of the business operation, should not be the same person to clearly segregate the roles and induce equilibrium in operation.

In addition, the Board of Directors has appointed three Committees to focus on particular matters and then submit their deliberations for further consideration or acknowledgement by the Board. They are the Audit Committee, the Executive Committee and the Corporate Governance, Nomination and Remuneration Committee.

List of member of each Committee and scope of authority appear in "Management Structure".

SELECTION OF THE DIRECTORS AND EXECUTIVES

INDEPENDENT DIRECTORS

The Corporate Governance, Nomination and Remuneration Committee is responsible for selection of Independent Directors, two independent directors out of four directors, before proposing 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 approved by the Board of Directors. The Company's definition of "Independent Director" is stricter than the one specified by the SEC so that they can act independently suitable with specific nature of the Company.

QUALIFICATIONS OF DIRECTOR

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.

QUALIFICATIONS OF INDEPENDENT DIRECTOR

- 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 with 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. Retirement Age
- Independent and Non-Executive Directors who have completed the age of 70 years may continue as Directors at the discretion of the Board but in no case beyond the age of 75 years.
- The retirement age for Independent Directors would be 75 years.

GUIDELINE AND VOTING PROCEDURES

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 event that a vacancy occurs due to any reason other than the retirement of a Director, the Board shall consider appointing a qualified person who is not prohibited by law to be a replacement Director at the following meeting. Exception is where the remaining term of the vacancy is shorter than two months. The replacement Director shall serve the remaining term of the vacancy. The Board's resolution for replacement shall be a two-thirds majority votes of remaining Directors.

SELECTION OF DIRECTORS AND EXECUTIVES

The selection of Directors shall comply with the above description above in ⁽¹⁾ The Executive Committee will make initial selection for individuals to be appointed as the President & CEO and senior executives, by filtering qualified persons having knowledge, skills and experiences beneficial to the Company. The candidates must have good understanding about business and be able to manage operations to achieve goal and targets formulated by the Board of Directors. The candidate will be further submitted to the Corporate Governance, Nomination and Remuneration Committee to be considered and then proposed for approval by the Board of Directors.

CORPORATE GOVERNANCE OF SUBSIDIARIES AND AFFILIATES

The Board oversees the Company's subsidiaries in order to protect the holding company's interests as follows :

- Encourage them to adopt good corporate governance principles.
- Appoints representative directors and members of management to serve on the boards of subsidiaries.
- Oversees business operations through the appointed representative directors, members of management and a group-wide policy.
- Considers key matters such as strategic directions, business plans, capital increases or decreases, divestment and significant policies.
- Monitors operating results via members of management, the Executive Committee, and the Board itself.
- Monitors compliance with the rules and regulations regarding : related party transactions; acquisition and disposition of assets; and adequate and timely disclosure of information. This also includes maintaining proper accounting records and preparing financial reports in accordance with all applicable laws and generally accepted accounting principles.
- Assigns the Company's internal audit unit to conduct audits at the subsidiaries and affiliates in order to ensure the adequacy and effectiveness of their internal control systems.

USE OF INSIDER INFORMATION

Besides the specified usage of insider information in the Company's "Code of Ethics," there are policies and measures 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 any 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 the details of which are also disclosed in the Annual Report.

Moreover, the Company has implemented adequate internal control measures 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, Executives 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 two 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.

Any director or member of the leadership team, who wish to trade in company securities, must notify the Board of Directors of his/her intention at least 24 working hours before the proposed transaction.

AUDITOR REMUNERATION

AUDIT FEE

For the period April 2014 - March 2015, the Company and its subsidiaries paid audit fee of Baht 4,208,000.

NON-AUDIT FEE

For the period of April 2014 - March 2015, the Company and its subsidiaries paid a fee such as audit procedures of the consolidated reporting packages (Indian GAAP), consolidated reporting packages (IFRS), travelling, per diem, lodging etc. of Baht 3,178,935 to its auditor, the audit firm affiliated with the auditor, individuals or business entities related to the auditor and its affiliated audit firm.

COMPLIANCE WITH GOOD CORPORATE GOVERNANCE PRINCIPLES IN OTHER MATTERS

The Company is determined to encourage and support the principles of good corporate governance along with its business operation because it realizes that good corporate governance would drive management system towards efficiency, transparency and accountability. This would enhance the confidence of the shareholders, investors, stakeholders and all relevant parties, which leads to a sustainable growth and increases value for the shareholders in the long term.

Apart from conducting business with high standard of conduct (both 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. The said principles are the same as the OECD Principles of Corporate Governance, comprising of five relevant principles and practices. 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.

The Company has been always rated as "very good" in the Corporate Governance evaluation.

The Company's corporate governance report for the year 2013-2014 is as follows:

CATEGORY I

SHAREHOLDERS' RIGHTS

The Company respects and realizes the importance of shareholders' rights, as owners of the investment. The Company has the policy encouraging shareholders to fully exercise their rights in preserving the Company's interest and it will not violate or deprive the rights of shareholders.

1. basic rights such as rights to become registered shareholders, purchase/ sales or transfer of shares, profit/dividend participation, receiving of sufficient information or report, for instance, changes to equity structure, changes to executive authority, and liquidations of company's major assets, including equal access share buy back and etc.
2. rights to vote during general meeting, i.e., election of directors and remuneration, profit allocation and dividend payment, assignment of auditor and setting audit fee, amendment to the Memorandum of Associations and regulations, changes to equity structure, and approval to key transactions affecting the Company's business operation.
3. any other rights according to the law. Apart from encouraging exercising the afore-mentioned 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 2937 1000 ext. 1460-1462.

The Company arranges shareholders' meeting called Annual General Meeting within four months after the end of Company's

financial year (within July every year), other than the said meeting, an extraordinary general meeting may be called.

The annual general meeting for 2014 was held on July 31, 2014 at 10.00 AM at the Four Seasons Hotel, Bangkok. The Company used the Record Date method where shareholding at June 2, 2014 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 3, 2014. There is no extraordinary general meeting called during 2014.

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 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. Posting a notice on SET news network (www.set.or.th) on an information of the shareholders' meeting on Company's website one month 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. Posting a notice on SET news network (www.set.or.th) on allowing all shareholders to submit their inquiries related to AGM agenda in advance after the date of invitation for AGM. The said written inquiries will be submitted to the Board of Directors or Independent Directors through Corporate Secretary for proceeding to each Director or Independent Director. Relevant inquiries 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 2013 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 a major shareholder, institutional investor, foreign shareholder including minor shareholder by equitable treatments described as under:

SHAREHOLDERS' MEETING

The Company facilitates and encourages shareholders for attending the meeting such as:

1. provide non-complicated proceeding procedures and avoid unnecessary costs,
2. arrange a meeting venue that is convenient and accessible by mass transport system,
3. prepare explanation about credentials to verify attending right,
4. prepare sufficient competent officers and equipment to handle credential verification and registration,
5. 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; relevant registration document can be submitted in advance of the AGM meeting in order to save verification time,
6. prepare duty stamps to be affixed in the shareholders' proxy forms,
7. apply barcode system for registration to facilitate convenience and promptness, and
8. 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.

In Annual General Meeting of 2014, there were 678 shareholders attended the meeting in person and via proxy accounting for 6,269,645,024 shares or 74.99% of the paid up shares of 8,421,540,848. The Chairman of the Board of Directors and Chairman of the Committees, namely, the Chairman of the Corporate Governance, Nomination and Remuneration Committee and all directors attended the meeting. Furthermore, executives, auditors including legal advisors have attended the meeting to explain and answer all inquiries.

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 other than those specified on the Notification inviting shareholders to the Annual General Meeting. 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.

The Company uses voting ballots for convenience of shareholders and arranges for the Inspector to supervise voting and vote counting for transparency according to law and Company's regulations. Vote counting would be done by computer. Only shareholders' voting ballots of 'Against' or 'Withheld' would be compiled for calculation by deducting from number of overall eligible shareholders. Shareholder would have one vote per one share. Results of the vote for each agenda would be announced after resolving of each agenda item by slide projection. Moreover, the meeting would be recorded on a video media.

AFTER THE MEETING

The Company announces the meeting resolution (agreement, disagreement or abstention) 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

1. names and positions of the attended Directors, Executives including related persons,
2. announcement of voting procedures and vote counting,
3. questions and answers, comments and recommendations,
4. meeting resolutions and voting result on each agenda, classified as agreement, disagreement and abstention.

Further, to enhance good relationship with shareholders, after the AGM, in September 2013, the Company has extended an invitation to shareholders to visit one of the subsidiary's plant of Siam Steel (2001) in Saraburi. There were 36 shareholders who participated in the said visit.

USE OF INSIDER INFORMATION

Details of the Company's policy and measures to prohibit the use of insider information for the benefit of Directors and Executives are in the item "Use of Insider Information", page 42

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.

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 has been assigned to compile and present to Chairman of the Audit Committee and Chairman of the Board of Directors 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.

For new arising connected transactions, its volume and amount will be taken into account, and submitted to the Audit Committee for consideration before further submission for endorsement by the Board of Director.

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 acted 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.



Report on Securities Holding of Directors and Executives, as at March 31, 2015

Ordinary Shares (No. of Shares)							
Tata Steel (Thailand) Plc.				Affiliated Companies			
No.	Name	Reporter	Spouse or Minor child	increase (decrease) in fiscal year (April 1, 14 - March 31, 15)	Reporter	Spouse or Minor child	increase (decrease) in fiscal year (April 1, 14 - March 31, 15)
Board of Directors							
1	Mr. Koushik	-	-	-	1,320 ^(b) 1,000 ^(c)	-	-
2	Mr. Maris	-	-	-	-	-	-
3	Asst. Prof. Rawewan	22,000	-	-	-	-	-
4	Mr. Hatasakdi	-	-	-	-	-	-
5	Mr. Taratorn	-	-	-	-	-	-
6	Mr. Vivek Madan	-	-	-	-	-	-
7	Mr. Peeyush	-	-	-	-	-	-
8	Mr. Rajiv	-	-	-	376 ^(d)	-	-
Executives							
9	Mr. Thana	200,000	-	-	-	-	-
10	Mr. Shishir Vijay	-	220,000 ^(a)	-	-	-	-
11	Mr. Sirorote	-	-	-	-	-	-
12	Mr. Paitoon	-	-	-	-	-	-
13	Mr. Biswajit	-	-	-	182 ^(e)	-	-
14	Mr. Songsak	-	-	-	-	-	-
15	Mr. Chandra Mohan	-	-	-	-	-	-
16	Mr. Arun Kumar	-	-	-	-	-	-
17	Mr. Wanlert	-	-	-	-	-	-
18	Mr. Chaichalerm	-	-	-	-	-	-

Remarks

- Tata Steel (Thailand) Plc. has 8,421,540,848 Ordinary shares. The total Registered and Paid-up Capital are 8,421,540,848 Baht.
- 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.

- "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"
 - Spouse
 - 1,320 shares of Tata Steel Limited of Rs.10/- each
 - 1,000 shares of The Tinplate Company of India Limited of Rs.10 each
 - 376 shares of Tata Steel Limited of Rs.10/- each
 - 182 shares of Tata Steel Limited of Rs.10/- each
- Spouse
 - 1,320 shares of Tata Steel Limited of Rs.10/- each
 - 1,000 shares of The Tinplate Company of India Limited of Rs.10 each
 - 376 shares of Tata Steel Limited of Rs.10/- each
 - 182 shares of Tata Steel Limited of Rs.10/- each

CATEGORY III**ROLE OF STAKEHOLDERS**

The Company recognizes that encouraging a strong relationship and co-operation between Company and all stakeholders would be a factor to build wealth, stability and long term sustainability. It was adhered to the rights of all stakeholders in relation to its business operation, both defined by law or mutual agreement, by being responsible to the internal and external stakeholders, whose rights have been violated, with strict fairness, as well as keep developing engagement mechanism for stakeholders.

The employees adhere to the company's Code of Ethics issued under the "Tata Code of Conduct (TCOC)". This has 25 clauses and defines guidelines and practices related to ethical business conduct with all stakeholders. Measures and channels for stakeholders to communicate/inform on unethical conducts are clearly spelt out along with process to protect the informant under the "Policy and Regulation regarding Whistle Blower" (Whistle Blower). The Company also endorses to the Declaration made by the Collective Action Coalition against Corruption (CAC) voicing the intention from the Thai Private Sector to counter all types of corruption.

Stakeholders can suggest/ report/ appeal on the above Code of Ethics in person/ by letter/ E-mail/ telephone/ fax by contact via the Chairman of the Audit Committee or the Ethic Counselor, details of whom are as given below:

Chairman of the Audit Committee

Mr. Maris Samaram
80 Soi Prompan, Sukhumvit 39
Klongtan Nua, Khet Wattana Bangkok 10110
E-mail address : msamaram@gmail.com

Ethic Counselor

Mr. Sirorote Metamanosak
Tata Steel (Thailand) Public Company Limited
Rasa Tower 2, 20th Floor,
555 Phaholyothin Road, Chatuchak, Bangkok 10900
Tel. : +66 2937 1000 ext. 1810 Fax : +66 2937 1224
E-mail address : sirorotem@tatasteelthailand.com

Guidelines and responsibility to each group of stakeholders are :

(Full details appear in the topic. "Sustainability Report").

SHAREHOLDERS

The Company is committed to create value for all shareholders with fairness by operating business in compliance with good governance and the company's vision efficiently and treat shareholders with respect and as per the applicable laws and regulations to maximize benefits and values to shareholders continuously. The Company shall inform shareholders of correct and complete information, including disclosing such information in accordance with relevant rules and agreement.

EMPLOYEES

The Company regards employees as a valuable asset. Therefore, providing equal opportunities for all employees without discrimination against any social status, nationality, caste, religion, family, marital status, gender, sexual orientation, age and ethnicity, emphasis is placed on providing career paths according to employees' ability based on merit and competency including improving quality of life of employees and their families. Employees receive compensation and benefits, comparable to other leading companies including Provident Fund for employees to save money to use. There is also a focus on safety, health and environment for all employees. As well as commitment, training and staff development at all levels and covers the ongoing professional to be an important factor in creating organizations to sustainable development.

CUSTOMERS

The Company devotes extensive efforts to satisfy our customers in every aspect. It strives to provide products and services to meet the needs of our customers as well as the development of quality products and services with warranty and service for the benefit and satisfaction in terms of quality standards and fair prices. Development of products and services to meet the diverse needs and quality control, complaints about products and services, maintain client confidentiality includes not put customer data to generate benefits are also a return policy if it finds that the product is not quality or inferior.

PARTNERS

The Company sets a clear policy and framework based on the TATA Code of Conduct (TCOC) for its business implementation with transparency and equitability in dealing with all partners. Its subsidiaries are also strictly compliance to the same TATA Code of Conduct. Comply with the fair commercial competition framework and TCoC, verifying detailed information on PO before sending to supplier, maintain payment standard by closely monitoring of payment status, build good relationship. The Code covers joint operations between the Company and its partners, for instance, regular trainings on safety have been extended to transport contractors who work for the plants.

COMPETITORS

The Company strives to operate with integrity and comply with the rules of fair competition, honestly through the source of legitimacy only. The Company will not pose unfair or misleading information about a product or service, to destroy competitors.

CREDITORS

The Company strictly complies with the conditions and requirements strictly of both trade creditors and lender and make timely payment, 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 clearly states in its policy of carrying out business by being a good corporate citizenship, integrity and trust with duty and responsibility to the surrounding communities and society by supporting activities for improving quality of life for benefit of the community through various corporate social responsibilities. 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 also focuses on environmental protection, rigorous and continuous throughout in order to maintain good environment forever with the implementation and strict compliance in all production processes and all work procedures including compliance with strict environmental laws and regulations. Every company in the Tata Group has committed to make a significant leadership role in "Climate Change" as a result of global warming. It also requires the introduction of the concept. "Back to Nature (green)" is used in all stages of the business of the organization.

GOVERNMENT AUTHORITIES

The company operates and compliance with the law. Strict regulations all employees must abide by the laws and regulations of government agencies involved. And to cooperate with the government continues.

MEDIA & REPORTERS

The Company gives importance to the disclosure of the media in general for communication to the public widely on the basis of accuracy and up to date.

CATEGORY IV

DISCLOSURE AND TRANSPARENCY

The Company realizes and emphasizes the responsibility to disclose required financial and non-financial information for transparency, accountability and the benefit of shareholders, investors, analysts and other stakeholders. Such information disclosed must be correct, inclusive, thorough and create no misunderstanding. The 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 responsible for 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 buy 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.tatasteeltailand.com) /Newspapers
3. Latest shareholding structure is disclosed with details of 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, not over one percent of stocks issued, 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)

In addition to the disclosure of information as specified by the Securities Exchange Commission (SEC), The Securities Exchange of Thailand and relevant authorities, the Company has assigned the President as its 'speaker' to communicate Company's information to the public investors who are shareholders and general shareholders and assigned the Corporate Secretary to manage the function of Investor Relation by being responsible for communicating and coordinating with individual shareholders institutional, general shareholders, 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.

Furthermore, the Company also has policy on press briefing quarterly to disseminate its operational results to the public through media, for instance, newspapers and various magazines. The President & CEO, Chief Operating Officer, Vice President-Human Resources and Vice President-Marketing and Sales are assigned to provide interviews on behalf of the Company.

In 2014-2015, after having submitted the quarterly and annual operational performance to the SET, the Company arranged for the press briefing to make announcement to the public. There were about 10 - 20 analysts, including analysts from banks, financial institutions, printed media, attending each quarterly press briefing to get an update Company's performance as well as latest outlook of steel industry.

CATEGORY V RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Company specifies the role of Directors so that they can perform the function with "responsibility, cautiousness, integrity and accountability" with an objective to provide equitable treatment to all shareholders and create mutual confidence between shareholder and the Company. Management system in accordance with the principles of good corporate governance has been implemented to ensure honest, reasonable and independent supervision and operation under legal framework and business ethics for effectiveness and efficient working of the Board functions to maximize benefits to all stakeholders.

STRUCTURE OF THE BOARD

The Company takes into account check and balance principle as well as emphasizes on board diversity under the clear structure of the Board. The Board of Directors comprise of qualified persons with appropriate knowledge, ability and experiences in steel

industry and other businesses, gender, leadership with broad perspective, ability to commit time and efforts for functioning as Directors who can express freely and beneficial to the Company's business operation. Specific Committees have been appointed to consider specific matters for appropriate decision making and for compliant to the corporate governance guidelines.

Besides, the Board of Directors also appoints the Corporate Secretary who is qualified and experienced on secretariat matters, as per the details under item "Corporate Secretary" page 35

ROLES, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors have to define Company's vision, mission, policies, long-term strategy, business plan and annual budget which is proposed by the assigned management. To consider those matters, directors will fully discuss and share their opinions. Beside, the Board also assigned the responsibility to Management to implement policies and plan to improve Company's operation on a continuous basis.

Further, the Board of Directors has the responsibility to review operating plans, targets, and to allocate adequate budget, especially budget for organization and product research and development, competitive capability development. Each quarter, the Directors will review Company's performance and on annual basis carry out Directors performance evaluation, including that of senior management. The Board will develop, review and improve risk management system, internal control and internal audit to respond to the changing environment, and to oversee and develop Company's corporate governance to international standards. They should dedicate 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 conduct business with stability for the balanced and sustainable benefits of all stakeholders in line with vision, mission and goals of the Company.

The company's vision/ mission/ strategy are usually reviewed and approved by the Board of Directors. Vision for the year 2015 appeared on the inside of the back cover page of Annual Report.

AUTHORITY OF THE BOARD OF DIRECTORS

1. approve annual operation plan, annual investment plan, mid-term or long-term plan
2. approve short/long term loan from banks/financial institutions, placing collateral as loan guarantee, signing on approved loan agreement or cancellation of loan term

3. approve on open/close bank accounts
4. approve of using/changes to accounting principle, or update/change to schedule of depreciation rate
5. approve of financial statements and allocation of accumulated profit
6. approve on selling tangible and other assets not including land and building of higher value over Executive Committee's authorization
7. approve purchase, sell, exchange, mortgage, sale with right of redemption, lease, rent, or let of land and buildings
8. approve on HR, organizational structure, HR planning, nomination and recruitment of senior executive and budgeting for annual raises and bonus
9. approve on joint-venture, stock investment
10. approve on matters submitted to AGM

DUTIES OF CHAIRMAN OF THE BOARD OF DIRECTORS

Key duties of the Chairman are to ensure effective functioning and being leader of the Board. The Chairman is accountable to the Board and function on behalf of the direct coordinator between the Board and the management through the President & CEO. The Chairman also has duty to further communicate the Board's resolutions as appropriate

There are distinctions of duties between the Chairman as policy leader and the President & CEO as leader on day-to-day management. The Company has a policy to separate the positions of Chairman of the Board and President & CEO. This means that the Chairman is independent from the management and have no other interests and no business or any relationships that may hinder independent deliberation of the Chairman.

The Chairman's duties include the following:

1. Guiding the Board to ensure its effective functioning.
2. Providing independent advice and counsel to the President & CEO.
3. Consulting with the President & CEO and Company Secretary to draw up meeting agendas.
4. Encouraging all board members to debate issues freely during meetings, ask questions and express opinions.
5. Encouraging constructive relations within the Board members and between the Board and management.
6. Ensuring effective communication with the shareholders.

THE AUDIT COMMITTEE

The Audit Committee was appointed by the Board in the year 2002, and now consisted of three Independent Directors. All

committee members are knowledgeable and have a business understanding with experience in accounting or finance. More than one Director has adequate knowledge and experience to review the credibility of the financial statements 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 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. 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 in the year 2002. It consists 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, NOMINATION AND REMUNERATION COMMITTEE

The Corporate Governance, Nomination Committee and the Remuneration Committee were appointed by the Board in the year 2004. However, the Board of Directors has resolved that both Committees be merged into one Committee with effect from 31 January 2013, to improve more effectiveness and to facilitate its functioning. The said Committee now consists of four Directors, including two Independent Directors, having the duty on corporate governance namely: to propose, review and supervise the functions of the Board of Directors and Executives in accordance with the Company's corporate governance guidelines; to consider selection process and recruit appropriate person for nomination as Director or President & CEO in replacement of the retiring Director or in other cases. It has the duty to study, consider and monitor the change and trend of the remuneration of the Board of Directors, Members of Committees and the President & CEO and the senior management of the Company.

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 retire. Directors have to jointly agree on the retiring sequence and the director who vacates his office may be re-elected with no limit on terms. The term of members of other Committees shall be equal to the tenure of the director on the Board and the director will vacate the Committee as soon as he/she steps down from the Board.

SERVING ON OTHER COMPANY BOARDS BY DIRECTORS AND PRESIDENT AND CEO

The Company has no policy in place yet on maximum number of other listed companies allowed for each director to serve as the member of their boards. Half of the current Board of Directors are Thai while the rest are non-Thai. The non-Thai directors do not have their domicile in Thailand; therefore they do not sit on other listed company boards in Thailand. According to the data captured during the last five years, no Thai director has served more than five other listed company boards. Each of the directors is capable to perform their duties and dedicate appropriate time and efforts for the company.

Since the President and CEO is an inside director, just like other employees, he has to dedicate his full efforts for the company according to the terms of the employment contract. President and CEO who also serves as a director on the Company does not serve as a director in other listed company, except on the board of the subsidiaries. In any case, the association on other companies outside Thailand has to be declared in the resume printed in the annual report.

MEETING OF THE BOARD OF DIRECTORS

The Company has scheduled at least five meetings annually and informed each Director in advance. Pre-circulated key agenda for the meeting of the Board of Directors and Committees include monitoring of operation. Additional meetings may be arranged for urgent matters. Before each meeting, invitation letter, agenda and accompanying papers are sent seven days in advance for study. Chairman of the Board of Directors who chairs the meeting would conduct the meeting according to the agenda, taking care of interests of shareholders and other 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.

During 2013-2014, five Board of Directors' meetings have been held with over 75% of the directors attending at each meeting and higher than 75% attendance rate of each director. 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. Exception is made to some meeting agenda specifically reserved for only the Board of Directors or non-Executive Directors to allow independence of expression. In each quarter, independent directors will also confer meeting separately among themselves.

Summary of meetings and attendances of Directors for 2013-2014 are in item "Structure and Management" page 31-32

BOARD OF DIRECTORS PERFORMANCE EVALUATION

Based on the good corporate governance's principles, the Board of Directors resolved that there shall be annual performance self-evaluation by the Board to assure of their efficiency and fairness for all stakeholders. Performance evaluation methods shall be conducted for overall performance of the Board of Directors and for individual directors' performance. The Board aims to leverage the said evaluation as a tool to review problems and issues arising during the previous year. The outcome of the evaluation will be used for preparing guidelines and measures for further operational improvements.

For overall Board performance evaluation, it will include 1) structure and qualifications 2) roles, duties and responsibilities 3) meeting of the Board 4) relationship with the management team 5) self-development of directors and executives, and 6) each Committee. For individual performance evaluation, it will include 1) readiness of each director, 2) preparation of strategic and business plans, 3) risks management and internal control, 4) handling of conflict of interests, 5) monitoring of financial statement and operational performance, and 6) meeting attendance. The performance evaluation processes are as follows:

1. The Corporate Governance, Nomination and Remuneration Committee reviews performance evaluation form for completion, appropriateness and up-to-date.
2. The Company Secretary compiles completed evaluation forms to summarize the outcome and recommendations.
3. The Company Secretary submits to the Board the outcome of the performance evaluation and recommendations for consideration on performance improvement.

For performance evaluation of other Committees, including the Audit Committee and the Corporate Governance, Nomination and Remuneration Committee, the same process of the Board performance evaluation have been applied.

During the 2014-2015 performance evaluation of the Board of Directors and Committees, all directors and committee members submitted their recommendations broadly and freely on the evaluation forms. The outcome of the evaluation is concluded as "Good".

BUSINESS ETHICS

The Company has set high standards in business operation through professionalism, integrity, moral and ethical behavior. Under the "Tata Code of Conduct (TCoC)" which documented and published in Thai version as the "Ethics Handbook". This is distributed to the Board of Directors, Executive Committee, Executives, employees and external stakeholders who conduct business with the Company, including government agencies and private sectors. Besides, the Management of the company oversees, communicate and encourage employees at all levels to strictly and constantly adhere to the principles of integrity, transparency and fairness. Whenever there is a breach or possibility of a breach of Company's Code of Conduct, supervisors must be notified immediately. Ethics Counselor has been appointed since 2008 and employees are encouraged to report any grievance or mal-practice without any fear and obligation.

The Tata Code of Conduct consists of 25 clauses, covering matters of national interest, financial reporting and records, competition, equal-opportunity employer, gifts and donation, relationship with 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 and reporting concerns.

Furthermore, the Company has announced "Policy and procedures on petitioning of Code of Conduct violation" (Whistle blower Policy and Practices) to safeguard employees and external stakeholders who choose to report on the violation or possible violation of the Code of Conduct to the Chairman of the Audit Committee or the Ethic advisor or to other company's specific units safely and practically.

ANTI-BRIBERY AND ANTI-CORRUPTION

Tata Steel (Thailand) is committed to carrying out its business with fairness and transparency based on the mandate to prevent, deterrence and detection of fraud, bribery and all other corrupt business practices. TSTH will give full cooperation with the Government and the Private sector to create standard of clean business operations. In addition to becoming a signatory to the "Thailand's Private Sector Collective Action Coalition against Corruption" in 2014, TSTH also develop the clear anti-bribery and anti-corruption policy.

All Board Members, senior executives and all employees (whether permanent, fixed-term or temporary), subsidiaries/joint ventures, third parties, any persons or individuals and other agencies who associated with TSTH shall comply with the above said policy. The Company takes a zero-tolerance approach to corruption and does not, either directly or indirectly, through intermediaries or other third parties, solicit, receive, offer, promise or provide any financial or other advantage of material value or otherwise exercise improper influence with the intention of obtaining advantage in the conduct of its business.

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. The intent is to have a compliant 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 subsidiaries which operates under the supervision of the Audit Committee. The Audit Committee carries out quarterly review to oversee compliance with the policies, plans, authority and regulations, including evaluating the risk management and internal control for appropriateness and effectiveness. This is done to ensure that major operations and significant financial transactions are carried out according to the prescribed guidelines and regulations.

Additional details appear in "Internal Control" and "Risk Management".

HANDLING OF CONFLICT OF INTEREST

The Company places importance on the handling of Conflict of Interest issues with caution. Directors, Executives and employees will work with honesty, reasonableness, independence and in transparency manner in the overall 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. Care is taken to not disclose insider information or uses such information for personal advantage. 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 subject for employees at all levels.

RISK MANAGEMENT

The Company has implemented appropriate risk management system by adopted an international standard to be applied for the Company's business. It has appointed the Risk Management Committee consisting of the Management 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 mitigate risks are defined, followed up and reviewed to increase its effectiveness, The Company has also assigned the Audit Committee to evaluate the effectiveness 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 and subsidiaries' operation.

TRAINING AND DEVELOPMENT PROGRAMS FOR DIRECTORS AND EXECUTIVES

The Company looks after the interests of Directors and Executives' since their appointment by supporting them with an appropriate training related to the Company operation by nominating them to relevant programs conducted by institutions such as the Securities and Exchange Commission, the Securities Exchange of Thailand, Thai Institute of Directors Association ("IOD") and public and private academic institutions. These exposures help them to perform their duties effectively and equip themselves to cope with the changing situations. In this regard, all Thai Directors have attended trainings and seminars that related to the Directors' duty by IOD.



The Board of Directors remains committed to effectiveness the Internal Control System. The control framework is approached by the Board. The Executive Managements are the front line for identifying potential risks, designing, implementing, monitoring and updating controls. The Company has Policies and Procedures, including Codes of Conducts as a guideline for day-to-day operating and ensuring that goods/services are provided effectively as well as Company's affairs are conducted impartially.

The Board of Directors has established the Audit Committee with three independent directors. They has been delegated the responsibilities for ensuring the organization has effective process relating to independence, internal control, risk management, compliance with the Company's Policies and prevailing regulations, ethics, and financial reporting and disclosures. Its responsibilities also involve reviewing the Company performance in compliance with the Good Corporate Governance Principles, 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 audit Committee bases on the information drawn from various sources to carry out this responsibility including:

- Management discussion on operation performance and key concerns
- External Auditor who express opinion on the Company's financial statement and raise key concerns regarding the financial reporting
- Internal Auditor provides assurance through the annual and 5-years audit plan, which is approved by the Audit Committee, and routine audit regarding the adequacy and effectiveness of Internal Control System.
- Ethic Counselor who reports cases regarding the Codes Of Conducts and Compliance breach

On April 27, 2015, a meeting of the Board of Directors of the Company, which was attended by 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 2014-2015 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 an appropriate segregation of duties among functions. 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 in corresponding to changes in business operations. The Company has established the Standard of Operating as a guideline for ensuring the operational efficiency. The Company also established the clear annual business goals for 2014 - 2015 and long term plan, incorporating different factors such as economic conditions, market conditions and competition strategies.

RISK MANAGEMENT

The Company has a process to identify and consider the implications of business risk factors which are continuously updated with Industry changes, Economic Scenario, Financial Outlook and internal resources. The likelihood of occurrence and severity impacts to the objective achievement has been evaluated for prioritization of risks. Risks Assessment Matrix is cascaded throughout the Company. Head of Departments therefore formulate the comprehensive action plan to mitigate risks. The review and monitoring is performed regularly through the corporate level meeting of Management Team as a part of overall Strategic Planning Process. Risk Management is an integral part of the President reporting to the Board Meeting.

OPERATIONAL CONTROL OF MANAGEMENT

The Company has established policies and procedures that are appropriate for 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.

CHARACTERISTICS OF CONNECTED TRANSACTIONS

For the 12-month period ending March 31, 2015, March 31, 2014 and March 31, 2013, the Company entered into connected transactions with related companies as summarized below:

Unit: (in Thousand Baht)			
Type of Connected transactions	Mar 31, 2015	Mar 31, 2014	Mar 31, 2013
Sales	910,270	1,177,231	2,084,418
Other income	8,703	8,149	8,096
Purchases	1,125,724	2,375,933	1,302,411
Other expense	20,039	25,101	27,525
Trade accounts receivable	-	55,062	101,125
Receivables and loan to borrowers	812	1,142	3,107
Other non-current assets *	71,220	71,220	71,220
Trade accounts payable	290,265	725,875	493,716
Payables and loan from lenders	3,213	8,926	15,648
Advance received from customer	99,658	-	-
Long-term loans	270,596	270,596	270,596
Guarantees of the Company and its subsidiaries	See details on Notes to Financial Statements No. 8 : Property, Plant and Equipment		

Remarks :

- * During the year 2014, the receivable was changed from Tata Sons Ltd. to Tata Steel Global Holdings Pte. Ltd.

PRICING CONDITION AND POLICY

The said connected transactions between the Company and subsidiaries or related companies were adopted for commercial transactions, including borrowing or grant of loans within the policy frame work of transfer pricing mechanism, with prices and interest rates applicable to ordinary person. In the absence of reference price or interest benchmark rate, the Company uses the third party prices as if operating under the same or similar conditions with significant transactions. This is 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 is a generally accepted trading term. The benefits to the Company from such transactions were that purchase of raw materials ensured quality and continuity of 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 Vice President - Plant 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. Such authoritative power is reviewed on a regular basis for the sake of operational flexibility and internal control.

Should there be any transactions relating to persons having conflict 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 interest 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 conforms to the accounting standards announced by Federation of Accounting Professions with respect to the disclosure of connected transactions or 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 2014 – MARCH 2015

Revenue from sales of the products made by the Company's subsidiaries was Baht 21,355.09 million. The distribution of the revenue across product lines was 65%, 21% and 7% through domestic sales of rebars, wire rods and small sections including others, respectively. The balance 7% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 55.36 million, representing 0.26 % of total revenues. It comprised mainly of dividend received from other long-term investment of Baht 16.80 million, gain on exchange rate - net of Baht 15.20 million, interest income of Baht 8.57 million, gain on asset sale & material sale of Baht 6.20 million, gain on sale of property, plant and equipment and computer software of Baht 2.88 million, and other income of Baht 5.71 million.

APRIL 2013 – MARCH 2014

Revenue from sales of the products made by the Company's subsidiaries was Baht 25,362.71 million. The distribution of the revenue across product lines was 58%, 27% and 5% through domestic sales of rebars, wire rods and small sections including others, respectively. The balance 10% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 77.38 million, representing 0.30 % of total revenues. It comprised mainly of compensation from insurance company of Baht 33.33 million, interest income of Baht 20.59 million, gain on asset sale & material sale of Baht 10.00 million, gain from negotiated settlements of trade creditors arising from restructuring of Baht 2.89 million, and other income of Baht 10.57 million.

APRIL 2012 – MARCH 2013

Revenue from sales of the products made by the Company's subsidiaries was Baht 25,014.52 million. The distribution of the revenue across product lines was 51%, 37% and 6% through domestic sales of rebars, wire rods and small sections including others, respectively. The balance 6% was generated through international sales.

Other income of the Company and its subsidiaries amounted to Baht 237.67 million, representing 0.94 % of total revenues. It comprised mainly of compensation from insurance company of Baht 101.46 million, Baht 65.79 million gain from negotiated

settlements of trade creditors arising from restructuring, gain on exchange rate of Baht 42.04 million, interest income of Baht 14.55 million and other income of Baht 13.83 million.

ANALYSIS ON CHANGES IN REVENUE STRUCTURE

The net sales of the company for the year ended (April 2014-March 2015) was Baht 21,355.09 million from sales volume of 1,128,000 tons (Year/April 2013-March 2014: Baht 25,362.71 million from sales volume of 1,298,000 tons), thereby showing an decrease of 13% over the previous year. Due to continued weak market sentiments resulting in lower demand, increased imports and downward prices trend.

The net sales of the company for the year ended (April 2013-March 2014) was Baht 25,362.71 million from sales volume of 1,298,000 tons (Year/April 2012-March 2013: Baht 25,014.52 million from sales volume of 1,175,000 tons), thereby showing an increase of 10% over the previous year. The improvement in sales is primarily on account of demand from ongoing projects, increased reach in upcountry market & export to neighboring countries.

The net sales of the company for the year ended (April 2012-March 2013) was Baht 25,014.52 million from sales volume of 1,175,000 tons (Year/April 2011-March 2012: Baht 26,223 million from sales volume of 1,139,000 tons), thereby showing an increase of 3% over the previous year. However, the total net sales in MB decreased by 5% due to the reduction in global steel prices in 2012 as compared to 2011. Higher imports of wire rods from China at lower prices also caused adverse impact on the revenue of the company as the sales prices of wire rods had to be adjusted downwards to retain share with the customers.

COST OF GOODS SOLD AND GROSS PROFIT MARGIN

APRIL 2014 – MARCH 2015

Cost of goods sold of the Company and its subsidiaries was Baht 20,788.78 million, equivalent to 97.35% of the total revenue from sales. Gross profit margin was 2.65% of the total revenue from sales.

APRIL 2013 – MARCH 2014

Cost of goods sold of the Company and its subsidiaries was Baht 24,236.73 million, equivalent to 95.56% of the total revenue from sales. Gross profit margin was 4.43% of the total revenue from sales.

APRIL 2012 – MARCH 2013

Cost of goods sold of the Company and its subsidiaries was Baht 24,724.56 million, equivalent to 98.84% of the total revenue from sales. Gross profit margin was 1.16% of the total revenue from sales.

ANALYSIS ON CHANGES IN COST OF GOODS SOLD AND GROSS PROFIT MARGIN

For the period of April 2014 - March 2015, gross profit of the Company and its subsidiaries reported a margin of 2.65% owing to dropped average cost of goods sold by Baht 300 per ton over last year. While the sales realization showed a decrease by Baht 600 per ton, a under reduction in the cost of goods sold leading to the gross profit margin decrease by Baht 300 per ton over last year.

For the period of April 2013 - March 2014, gross profit of the Company and its subsidiaries reported a margin of 4.43% owing to improved average cost of goods sold by Baht 2,300 per ton over last year. While the sales realization showed a decrease by Baht 1,800 per ton, a higher reduction in the cost of goods sold arising out of “operations excellence” helped improve the gross profit margin by Baht 500 per ton over last year.

For the period of April 2012 - March 2013, gross profit of the Company and its subsidiaries reported a margin of 1.16% owing to improved average cost of goods sold by Baht 2,400 per ton over last year. While the sales realization showed a decrease by Baht 1,700 per ton, a higher reduction in the cost of goods sold arising out of “operations excellence” helped improve the gross profit margin by Baht 700 per ton over last year.

NET PROFIT (LOSS)**APRIL 2014 – MARCH 2015**

Net Loss of the Company and its subsidiaries was Baht (611.04) million as compared to Baht 30.79 million of last year.

APRIL 2013 – MARCH 2014

Net Profit of the Company and its subsidiaries was Baht 30.79 million as compared to Baht (4,545.47) million of last year.

APRIL 2012 – MARCH 2013

Net Loss of the Company and its subsidiaries was Baht (4,545.47) million. This includes one-time impairment charge of Baht (3,600) million and reversal of Deferred Tax Asset of Baht (286) million. Without these one-time charges, the Net profit (loss) for the year would be Baht (659.47) million as compared to Baht (893.59) million of last year.

ANALYSIS ON CHANGES IN THE NET PROFIT (LOSS)

For the Period April 2014 - March 2015, net loss of the Company and subsidiaries was Baht (611.04) million as compared to Baht 30.79 million of last year. This was on the account of the lower sales volume due to delay implementing new infrastructure project and customers limiting their purchases against firm orders, continued pressure on spread due to input metallic prices staying firm as compared to softening of finished steel prices and also carried out the deferred tax asset write-off of Baht (200) million in line with TAS No. 12 (Revised 2012).

For the Period April 2013 - March 2014, net profit of the Company and subsidiaries was Baht 30.79 million as compared to Baht (4,545.47) million of last year. The improved performance for this year has been due to tight control on working capital, continued focus on cost, improved product and superior customer service.

For the Period April 2012 - March 2013, net loss of the Company and subsidiaries was Baht (4,545.47) million. The increase is of Baht (2,964.88) million when compared with a loss of Baht (1,580.59) million in the previous year. The difference is mainly due to the one-time impairment charge of Baht (3,600) million coming from the impairment testing exercise, carried out in line with the TAS 36 requirements. Accordingly, the Company has impaired plant & equipment at its subsidiary, NTS Steel Group PCL and has also carried out the deferred tax asset write-off of Baht (286) million in line with TAS No. 12 (Revised 2012).

FINANCIAL STATUS**ASSETS****COMPOSITION OF ASSETS**

As on March 31, 2015, the Company and its subsidiaries had total assets of Baht 13,639.52 million. It was composed of current assets, property, plant and equipment (net) and other assets of Baht 4,651.26 million, Baht 5,203.66 million and Baht 3,784.60 million, respectively. Other assets included goodwill of Baht 3,456.01 million, deferred tax assets of Baht 33.42 million, Income tax refundable of Baht 216.13 million, and others.

ASSET QUALITY

As on March 31, 2015, the Company and its subsidiaries had trade accounts receivables net of allowance for doubtful accounts of Baht 660.08 million. 100.00% of these receivables were from unrelated parties. With respect to the quality of the Company's trade accounts receivables, it was regarded as “good” indicating that 97.15% of trade accounts receivables were less than three months of age.

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 on March 31, 2015, the Company and its subsidiaries set aside a provision for doubtful accounts amounting to Baht 21.88 million, equivalent to 3.31% of total trade accounts receivables, mainly of which were against the NTS' trade accounts receivable accumulated prior to the merger in 2006.

In addition, as on March 31, 2015, the Company had set an allowance for diminution in value of the inventory, for obsolescence and slow-moving items of Baht 36.28 million. The provision was in conjunction with Thai Accounting Standard No. 2 "Inventories." The Company and its subsidiaries will review this on an annual basis.

LIQUIDITY

As on March 31, 2015, the Company and its subsidiaries had a net decrease in cash and cash equivalents of Baht 631.50 million as compared to the previous year. The change was due to an increase in net cash from operating activities amounting to Baht 888.93 million. This comprised of operating profit before changes in operating assets and liabilities of Baht 373.93 million and a decrease in changes in operating assets and liabilities of Baht 515.00 million largely due to the decrease in the inventory. With respect to investing activities, a net cash flow of Baht 124.35 million was used up for additional investment in fixed assets. Net cash of Baht 1,396.09 million was paid for financing activities towards long-term loan repayment of Baht 1,610.00 million and short-term loan draw down of Baht 213.91 million.

As on March 31, 2014, the Company and its subsidiaries had a net decrease in cash and cash equivalents of Baht 794.65 million as compared to the previous year. The change was due to an increase in net cash from operating activities amounting to Baht 1,192.12 million. This comprised of operating profit before changes in operating assets and liabilities of Baht 1,006.28 million and a decrease in changes in operating assets and liabilities of Baht 185.84 million largely due to the decrease in the inventory. With respect to investing activities, a net cash flow of Baht 41.12 million was used up for additional investment in fixed assets. Net cash of Baht 1,945.64 million was paid for financing activities towards short-term loan draw down of Baht 247.15 million, long-term loan repayment of Baht 1,650.00 million and payments made to creditors of NTS restructuring amounting to Baht 48.49 million.

As on March 31, 2013, the Company and its subsidiaries had a net increase in cash and cash equivalents of Baht 1,664.03 million as compared to the previous year. The change was due to an increase in net cash from operating activities amounting to Baht 1,175.36 million. This comprised of operating profit before changes in operating assets and liabilities of Baht 641.56 million and a decrease in changes in operating assets and liabilities of Baht 533.80 million largely due to the decrease in the inventory. With respect to investing activities, a net cash flow of Baht 199.43 million was used up for additional investment in fixed assets. Net cash of Baht 688.11 million was paid for financing activities towards short-term loan draw down of Baht 1,501.51 million, long-term loan repayment of Baht 750.00 million and payments made to creditors of NTS restructuring amounting to Baht 63.40 million.

SOURCES OF CAPITAL FUNDS

APPROPRIATENESS OF CAPITAL STRUCTURE

As on March 31, 2015, the Company and its subsidiaries' had a debt to equity ratio of 0.62 times while it was 0.80 times in 2014.

SHAREHOLDERS' EQUITY

As on March 31, 2015, the Company and its subsidiaries had shareholders' equity of Baht 8,398.69 million consisting of the paid-up capital from ordinary shares and preferred shares totaling Baht 11,810.36 million. The retained earnings (deficit) was Baht (3,734.18) million, the legal reserve was Baht 334.60 million, Unrealised gain on remeasuring available-for-sale investments was Baht 0.50 million and Non-controlling interests was Baht (12.59) million.

LIABILITIES

As on March 31, 2015, the Company and its subsidiaries had liabilities amounting to Baht 5,240.83 million consisting of current liabilities of Baht 4,612.35 million and Baht 628.48 million for non-current liabilities, representing 88% and 12% of total liabilities, respectively. Current liabilities included short-term borrowing from financial institutions of Baht 2,298.95 million, long-term loan from financial institutions Baht 865.00 million, trade and other payables of Baht 1,381.60 million and other current liabilities of Baht 66.80 million. Non-current liabilities included long-term loan from financial institutions of Baht 200.00 million, long-term borrowing from a related party of Baht 270.60 million and other liabilities of Baht 157.88 million.

BORROWINGS FROM FINANCIAL INSTITUTIONS :

1. SHORT-TERM BORROWING

As at March 31, 2015 and 2014, the Group has borrowing from two financial institutions in the amount of Baht 1,343 million and Baht 1,163 million, respectively, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit in previous term totaling of Baht 1,500 million, for scrap purchasing. Subsequently, on December 26, 2014, the Group increased such credit limit totaling of Baht 1,998 million.

As at March 31, 2015 and 2014, the Group has borrowing from another financial institution in the amount of Baht 724 million and Baht 922 million, respectively, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit in previous term totaling of Baht 968 million, for utilities financing. Subsequently, on August 29, 2014, the Group increased such credit limit totaling of Baht 1,068 million.

As at March 31, 2015, the Group has borrowing from a financial institution in the amount of Baht 112 million, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit totaling of Baht 150 million, for other raw materials. (2014 : nil)

As at March 31, 2015, the Company has borrowing from a financial institution in the amount of Baht 120 million, bearing the interest rate at 4.81% - 4.82% per annum for working capital. (2014 : nil)

As at March 31, 2015 and 2014, the Group has agreements with 8 local financial institutions to obtain credit facilities of Baht 6,723 million for working capital. The interest rates of these credit facilities are as follows:

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

As at March 31, 2015 and 2014, the Group has withdrawn the loans including letters of credit and trust receipts totaling Baht 824 million and Baht 1,120 million, respectively.

2. LONG-TERM BORROWINGS

The long term borrowings comprising of 2 loan agreements, the 1st dated November 29, 2006 for Baht 5,000 million with interest rate at MLR - 1.25% p.a., and the 2nd dated November

9, 2007 for Baht 3,500 million with interest rate at MLR - 2.00% p.a. and their amendments thereto. The loans are secured by the property, plant and equipment of all subsidiaries as mentioned in Note 8. The loans contain restrictions on financial ratios and shareholders' structure which is in accordance with requirements in loan agreement from financial institutions.

The Group has approached the Lenders for installment rescheduling to match with projected debt servicing capability based on current business scenario, which is under active consideration of the Lenders and negotiations are nearing conclusion. Pending finalisation of such amendments to the agreements, the Group has maintained installment payments in line with existing terms.

In addition, as at March 31, 2015, the Company had a debt service coverage ratio ("DSCR") lower than the required ratio specified in the loan agreements with two financial institutions. Waiver for compliance of DCSR specified in the loan agreements of both lenders were obtained.

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, 2015, the Company had contingent liabilities as follows:

1. Its subsidiaries had Letter of Credit (L/C) amounting to Baht 36 million opened but were not under the liabilities' condition.
2. Letters of guarantee issued by the commercial banks to the Revenue Department amounting Baht 386 million.
3. Its subsidiaries had obligations under the purchase and installation agreement of machineries totaling of Baht 13.21 million
4. The Company and its subsidiaries had obligations under lease agreements (including service fee) amounting to Baht 99 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", and item "Notes to Financial Statements", No. 25 : Financial Instruments.

Dear Shareholders:

Dear Shareholders:

The Audit Committee comprises three independent directors who are neither officers nor employees of the Company. In 2014-2015, each committee member performed their 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 2014-2015, 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 2014-2015

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 generally accepted accounting principles 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 assessments on a quarterly basis. The Audit Committee believes that the risks are 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 Audit Plan is reviewed and approved by the Committee on a yearly basis. The significant control weaknesses, recommendation and Management action plan were reported by the internal auditors and the agreed actions have been/are being implemented satisfactorily and are regularly monitored by the Audit Committee.

5. Supervision of internal audit

The Audit 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 and collection, 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. In addition, the performance of the Internal Auditors was evaluated by the President of the Company.

6. Consideration for the appointment of auditors

The Audit Committee considered that in 2014-2015, the Company's auditor satisfactorily performed its duties to the Company in accordance with the generally accepted accounting principles 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 Ms. Thanawan Anuratbodee or Mr. Manoon Manusook or Mr. Choopong Surachutikarn of Deloitte Touche Tomatsu Jaiyos Audit Company Limited as the auditor of the Company and its subsidiaries for the fiscal year of 2015-2016, commencing on April 1, 2015 and ending on March 31, 2016.

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, there were actual transactions that 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, 2015 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 27, 2015

On Behalf of the Audit Committee



Maris Samaram

Chairman of the Audit Committee

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 2014 - 2015, 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 2014 - 2015 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, April 28, 2015



Koushik Chatterjee

Chairman



Rajiv Mangal

President and CEO

**TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS
TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED**

We have audited the consolidated financial statements of Tata Steel (Thailand) Public Company Limited and its subsidiaries and the separate financial statements of Tata Steel (Thailand) Public Company Limited, which comprise the consolidated and separate statements of financial position as at March 31, 2015, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Thai Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned consolidated and 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, 2015 and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

BANGKOK, April 28, 2015



Thanawan Anuratbodee

Certified Public Accountant (Thailand)

Registration No. 3440

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Notes	2015	2014	2015	2014
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	708,600,118	1,340,103,987	478,515,960	1,140,924,373
Trade and other receivables					
Trade accounts receivable - related parties	22	-	55,062,113	-	-
Trade accounts receivable - other companies	5	660,084,040	637,674,394	-	-
Other receivables - related parties	22	811,810	1,142,225	35,389,475	39,885,573
Other receivables - other companies		29,828,426	43,404,741	6,841,646	15,514,318
Short-term loans to related parties	22	-	-	1,612,506,835	382,189,830
Current portion of long-term loans to a related party	22	-	-	865,000,000	1,610,000,000
Inventories	6	3,222,678,173	4,575,827,652	-	-
Value added tax refundable		10,667	613	-	-
Other current assets		29,246,150	40,491,558	2,799,472	2,677,606
Total Current Assets		4,651,259,384	6,693,707,283	3,001,053,388	3,191,191,700
NON-CURRENT ASSETS					
Available-for-sale investments		500,000	600,000	-	-
Investments in subsidiaries	7	-	-	12,013,047,275	12,013,047,275
Other long-term investment	2.6	1,241	1,241	-	-
Long-term loans to a related party	22	-	-	200,000,000	1,065,000,000
Property, plant and equipment	8	5,114,275,689	5,419,662,135	8,930,903	11,166,059
Computer software	9	89,383,983	112,713,795	87,675,805	110,501,257
Goodwill	10	3,456,014,092	3,456,014,092	-	-
Deferred tax assets	11	33,417,623	228,031,827	10,313,908	8,951,528
Other non-current assets	12	294,666,890	284,313,938	132,962,743	121,334,766
Total Non-current Assets		8,988,259,518	9,501,337,028	12,452,930,634	13,330,000,885
TOTAL ASSETS		13,639,518,902	16,195,044,311	15,453,984,022	16,521,192,585

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2015

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Notes	2015	2014	2015	2014
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions	13.1	2,298,948,887	2,085,035,889	120,000,000	-
Trade and other payables					
Trade accounts payable - related parties	22	290,264,706	725,875,565	-	-
Trade accounts payable - other companies		510,732,125	688,720,909	-	-
Other payables - related parties	22	3,212,989	8,926,225	3,640,070	10,112,469
Other payables - other companies		24,830,401	18,776,296	12,746,351	7,432,726
Advance received from customers		134,483,969	29,333,795	-	-
Accrued expenses		418,078,010	477,089,580	39,563,937	49,092,866
Current portion of long-term liabilities					
Trade accounts payable of a subsidiary arising from restructuring	14	6,326,827	6,326,827	-	-
Long-term borrowings	13.2	865,000,000	1,610,000,000	865,000,000	1,610,000,000
Short-term borrowing from related parties	22	-	-	1,231,360,439	819,282,082
Income tax payable		4,695,671	19,932,274	-	-
Other current liabilities		55,777,846	49,010,723	8,643,062	9,755,667
Total Current Liabilities		4,612,351,431	5,719,028,083	2,280,953,859	2,505,675,810
NON-CURRENT LIABILITIES					
Long-term borrowings	13.2	200,000,000	1,065,000,000	200,000,000	1,065,000,000
Long-term borrowing from a related party	22	270,596,275	270,596,275	270,596,275	270,596,275
Employee benefit obligations	16	157,881,429	123,948,166	47,850,053	40,920,033
Total Non-current Liabilities		628,477,704	1,459,544,441	518,446,328	1,376,516,308
TOTAL LIABILITIES		5,240,829,135	7,178,572,524	2,799,400,187	3,882,192,118

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2015

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Notes	2015	2014	2015	2014
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
Share capital	17				
Authorised share capital					
Ordinary shares					
8,421,540,848 ordinary shares of					
Baht 1 each		8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Issued and paid-up share capital					
Ordinary shares					
8,421,540,848 ordinary shares of					
Baht 1 each, fully paid		8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Share premium					
Ordinary shares		3,258,624,766	3,258,624,766	3,258,624,766	3,258,624,766
Expired warrants		130,201,936	130,201,936	130,201,936	130,201,936
Retained earnings (deficit)					
Appropriated					
Legal reserve	17	334,595,571	333,845,739	334,595,571	333,845,739
Unappropriated (deficit)		(3,734,180,090)	(3,117,026,503)	509,620,714	494,787,178
Other component of equity					
Unrealised gain on remeasuring					
available-for-sale investments		498,800	598,560	-	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT COMPANY					
Non-controlling interests		8,411,281,831	9,027,785,346	12,654,583,835	12,639,000,467
		(12,592,064)	(11,313,559)	-	-
TOTAL SHAREHOLDERS' EQUITY		8,398,689,767	9,016,471,787	12,654,583,835	12,639,000,467
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		13,639,518,902	16,195,044,311	15,453,984,022	16,521,192,585

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2015	2014	2015	2014
Revenue from sales		21,355,093,362	25,362,713,299	-	-
Revenue from rendering services		-	-	344,945,292	310,606,104
Cost of sales		(20,788,779,105)	(24,236,734,885)	-	-
Cost of rendering services		-	-	(396,338,790)	(364,131,983)
Gross profit (loss)		566,314,257	1,125,978,414	(51,393,498)	(53,525,879)
Other income					
Interest income		8,575,935	20,591,968	114,804,089	219,821,066
Gain on exchange rate - net		15,199,901	-	-	132,307
Dividend received from a subsidiary	7	-	-	104,999,964	209,999,928
Others	19	31,588,397	56,794,810	1,200,499	690,637
Selling expenses		(206,621,504)	(219,881,051)	-	-
Administrative expenses		(568,811,609)	(557,842,322)	(15,103,431)	(12,213,935)
Directors' remuneration		(3,977,077)	(5,117,507)	(3,977,077)	(5,117,507)
Loss on exchange rate - net		-	(9,184,190)	(13,013)	-
Finance costs		(227,961,794)	(327,536,061)	(137,029,957)	(231,069,217)
PROFIT (LOSS) BEFORE INCOME TAX		(385,693,494)	83,804,061	13,487,576	128,717,400
Income tax income (expense)	11	(225,349,008)	(53,020,009)	1,509,062	1,093,488
PROFIT (LOSS) FOR THE YEAR		(611,042,502)	30,784,052	14,996,638	129,810,888
OTHER COMPREHENSIVE INCOME (LOSS)					
Unrealised loss on remeasuring available-for-sale investments		(100,000)	(700,000)	-	-
Actuarial gain (loss) on defined employee benefit plan	16	(7,746,264)	16,809,498	733,412	3,386,156
Income tax relating to components of other comprehensive income (loss)		1,106,746	(2,170,440)	(146,682)	(677,231)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR - NET OF TAX		(6,739,518)	13,939,058	586,730	2,708,925
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		(617,782,020)	44,723,110	15,583,368	132,519,813

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements		
		Notes	2015	2014	2015	2014
PROFIT (LOSS) ATTRIBUTABLE TO :						
Owners of the parent			(609,764,237)	30,791,827	14,996,638	129,810,888
Non-controlling interests			(1,278,265)	(7,775)	-	-
			(611,042,502)	30,784,052	14,996,638	129,810,888
TOTAL COMPREHENSIVE INCOME (LOSS)						
ATTRIBUTABLE TO :						
Owners of the parent			(616,503,515)	44,732,565	15,583,368	132,519,813
Non-controlling interests			(1,278,505)	(9,455)	-	-
			(617,782,020)	44,723,110	15,583,368	132,519,813
EARNINGS (LOSS) PER SHARE						
Basic earnings (loss) per share	21 BAHT		(0.07)	0.00	0.00	0.02
Diluted earnings (loss) per share	21 BAHT		(0.07)	0.00	0.00	0.02

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Notes	Issued and paid-up share capital		Share premium			Retained earnings (deficit)		Other components of equity		Total attributions to the owners of the parent company	Non-controlling interest	Total shareholders' equity
		Preference shares	Ordinary shares	Preference shares	Ordinary shares	Expired warrants	Appropriated Legal reserve	Unappropriated (deficit)	Other comprehensive income (loss) Unrealised gain (loss) on remeasuring available-for-sale investments				
Balance as at April 1, 2013		252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	327,219,749	(3,155,831,398)	1,296,880	8,983,052,781	(11,304,104)	8,971,748,677	
Expired preference shares	17	(252,773,225)	252,773,225	(127,849,137)	127,849,137	-	-	-	-	-	-	-	
Legal reserve	17	-	-	-	-	-	6,625,990	(6,625,990)	-	-	-	-	
Total comprehensive income (loss) for the year		-	-	-	-	-	-	45,430,885	(698,320)	44,732,565	(9,455)	44,723,110	
Balance as at March 31, 2014		-	8,421,540,848	-	3,258,624,766	130,201,936	333,845,739	(3,117,026,503)	598,560	9,027,785,346	(11,313,559)	9,016,471,787	
Balance as at April 1, 2014		-	8,421,540,848	-	3,258,624,766	130,201,936	333,845,739	(3,117,026,503)	598,560	9,027,785,346	(11,313,559)	9,016,471,787	
Legal reserve	17	-	-	-	-	-	749,832	(749,832)	-	-	-	-	
Total comprehensive loss for the year		-	-	-	-	-	-	(616,403,755)	(99,760)	(616,503,515)	(1,278,505)	(617,782,020)	
Balance as at March 31, 2015		-	8,421,540,848	-	3,258,624,766	130,201,936	334,595,571	(3,734,180,090)	498,800	8,411,281,831	(12,592,064)	8,398,689,767	

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Notes	Issued and paid-up share capital		Share premium			Retained earnings		Total shareholders' equity
		Preference shares	Ordinary shares	Preference shares	Ordinary shares	Expired warrants	Appropriated Legal reserve	Unappropriated (defecit)	
Balance as at April 1, 2013		252,773,225	8,168,767,623	127,849,137	3,130,775,629	130,201,936	327,219,749	368,893,355	12,506,480,654
Expired preference shares	17	(252,773,225)	252,773,225	(127,849,137)	127,849,137	-	-	-	-
Legal reserve	17	-	-	-	-	-	6,625,990	(6,625,990)	-
Total comprehensive income for the year		-	-	-	-	-	-	132,519,813	132,519,813
Balance as at March 31, 2014		-	8,421,540,848	-	3,258,624,766	130,201,936	333,845,739	494,787,178	12,639,000,467
Balance as at April 1, 2014		-	8,421,540,848	-	3,258,624,766	130,201,936	333,845,739	494,787,178	12,639,000,467
Legal reserve	17	-	-	-	-	-	749,832	(749,832)	-
Total comprehensive income for the year		-	-	-	-	-	-	15,583,368	15,583,368
Balance as at March 31, 2015		-	8,421,540,848	-	3,258,624,766	130,201,936	334,595,571	509,620,714	12,654,583,835

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements		
	Notes	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) before income tax		(385,693,494)	83,804,061	13,487,576	128,717,400
Adjustments :					
Dividend received from a subsidiary		-	-	(104,999,964)	(209,999,928)
Dividend received from other long-term investment		(16,800,000)	-	-	-
Unrealised (gain) loss on foreign exchange rate		(2,990,405)	4,377,819	27	(1,130)
Allowance for diminution in value of inventory and inventory obsolescence		6,398,859	1,932,536	-	-
Depreciation and amortisation		482,431,825	535,541,417	28,381,620	28,935,889
Amortisation of rolling mill roll		38,732,676	53,301,915	-	-
Employee benefit obligation expenses		34,831,259	14,466,435	11,591,432	3,905,336
Other employee benefit expenses		482,146	11,092,514	213,878	3,837,607
Interest income		(8,575,935)	(20,591,968)	(114,804,089)	(219,821,066)
Interest expense		227,961,794	327,536,061	137,029,958	231,069,217
Gain from debt restructuring		-	(2,887,609)	-	-
(Gain) loss on sale of property, plant and equipment and computer software		(2,885,750)	(4,889,982)	-	2,345
Loss from writing off of property, plant and equipment and computer software		38,280	40,553	10	-
Reversal of allowance for diminution in value of other non-current assets		-	(168,561)	-	-
Provision for penalty and surcharge of refundable prior year corporate income tax		-	2,733,100	-	-
		373,931,255	1,006,288,291	(29,099,552)	(33,354,330)

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements		
	Notes	2015	2014	2015	2014
Decrease in trade accounts receivable - related parties		55,062,113	46,062,554	-	-
(Increase) decrease in trade accounts receivables					
- other companies		(22,409,646)	157,313,341	-	-
(Increase) decrease in other receivables - related parties		330,415	1,964,430	4,677,864	(7,662,481)
(Increase) decrease in other receivables - others companies		13,576,315	(25,062,742)	8,672,672	(10,156,920)
Decrease in inventories		1,308,017,944	338,524,178	-	-
(Increase) decrease in other current assets,					
value added tax refundable and other non-current assets		23,826,391	70,367,628	(919,233)	17,346,779
Increase (decrease) in trade accounts payable - related parties		(432,882,043)	222,116,969	-	-
Decrease in trade accounts payable - other companies		(177,266,802)	521,963,492	(178,956,686)	-
Increase (decrease) in other payables - related parties		(5,713,236)	(6,721,398)	(6,703,716)	4,305,123
Increase (decrease) in other payables - other companies		5,704,811	(1,289,011)	5,690,885	(1,300,938)
Increase (decrease) in advance received from customers		105,150,174	(951,657)	-	-
Increase (decrease) in accrued expenses,					
other current liabilities and other non-current liabilities		(60,414,890)	(11,877,883)	(6,466,892)	12,778,492
Cash paid for employee benefit obligations		(10,719,260)	(12,371,860)	(4,260,000)	(2,275,500)
Cash received (paid) from operating activities		1,176,193,541	1,605,406,154	(28,407,972)	(20,319,775)

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

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2015

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements		
	Notes	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Cash paid for interest		(230,538,988)	(326,897,554)	(140,855,188)	(231,576,216)
Cash paid for income tax		(56,724,420)	(86,386,194)	(11,626,478)	(11,506,298)
Net cash provided by (used in) operating activities		888,930,133	1,192,122,406	(180,889,638)	(263,402,289)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received from a subsidiary		-	-	104,999,964	209,999,928
Dividend received from other					
long-term investment		16,800,000	-	-	-
Interest received		9,371,803	22,300,711	115,418,191	221,893,628
Proceeds from sales of property, plant and equipment		2,903,754	6,404,969	-	9,439
Payment for purchases of property, plant and equipment		(152,408,652)	(68,253,383)	(2,684,377)	(5,653,097)
Payment for purchases of computer software		(1,013,905)	(1,580,400)	(1,013,905)	(1,540,400)
Decrease in short-term loan to related parties		-	-	(1,230,317,005)	(45,803,478)
Cash received from long-term loan to a related party		-	-	1,610,000,000	1,650,000,000
Net cash provided by (used in) investing activities		(124,347,000)	(41,128,103)	596,402,868	2,028,906,020
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in short-term borrowings from					
financial institutions		213,912,998	(247,144,793)	120,000,000	-
Increase (decrease) in short-term borrowing					
from related parties		-	-	412,078,357	(1,016,011,744)
Repayment of trade accounts payable of subsidiary arising					
from restructuring		-	(48,497,962)	-	-
Repayment of long-term borrowings		(1,610,000,000)	(1,650,000,000)	(1,610,000,000)	(1,650,000,000)
Net cash used in financing activities		(1,396,087,002)	(1,945,642,755)	(1,077,921,643)	(2,666,011,744)
Net decrease in cash and cash equivalents		(631,503,869)	(794,648,452)	(662,408,413)	(900,508,013)
Beginning balance of cash and cash equivalents		1,340,103,987	2,134,752,439	1,140,924,373	2,041,432,386
ENDING BALANCE OF CASH					
AND CASH EQUIVALENTS	4.1	708,600,118	1,340,103,987	478,515,960	1,140,924,373

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 YEAR ENDED MARCH 31, 2015

1. GENERAL INFORMATION

Tata Steel (Thailand) Public Company Limited ("the Company" or "the parent company") is incorporated in Thailand and has its registered office at Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak, Bangkok with the objective to invest in other companies and provide management services and the Company has been listed on the Stock Exchange of Thailand since November 2002. The major shareholder (hold 67.90%) is Tata Steel Global Holdings Pte. Ltd. where is incorporated in Singapore and is an affiliate of Tata Steel Limited, a listed company incorporated under the law of India and is one of the largest integrated steel manufacturers in India with a strong global customer base.

The Company has three subsidiaries ("the Group") which were incorporated in Thailand, that manufacture, render a manufacturing service, distribute and trading of steel bars, wire rods and small section products. Sales of the subsidiaries are mainly local sales contributing 93% and 89% of the total sales for the years ended March 31, 2015 and 2014, respectively.

Details of the Company's subsidiaries are as follows:

	Type of business	Shareholding (%)	
		As at March 31, 2015	As at March 31, 2014
The Siam Iron and Steel (2001) Company Limited	Manufacture wire rods and small section products	99.99	99.99
The Siam Construction Steel Company Limited	Manufacture steel bars	99.99	99.99
N.T.S. Steel Group Public Company Limited	Manufacture, render a manufacturing service, distribution and trading of steel bars, wire rods and small section products	99.76	99.76

The Company has extensive transactions and relationships with the major shareholder and related parties. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company had operated without such affiliations.

As at March 31, 2015 and 2014, N.T.S. Steel Group Public Company Limited ("N.T.S.") has total current liabilities exceeding total current assets by Baht 3,021 million and Baht 2,129 million, respectively. However, the amount of current liabilities included the short-term borrowing from the parent company of Baht 2,478 million and Baht 1,833 million, respectively. The parent company will continue its financial support to N.T.S. to enable N.T.S. to continue its operations satisfactorily at least for the next 12 months from the statement of financial position date and the Group's management has prepared the business plan including initiatives to improve operation and financial results of N.T.S.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND THE SEPARATE THE FINANCIAL STATEMENTS

- 2.1 The Company and its subsidiaries maintain its accounting records in Thai Baht and prepare their statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2012) "Presentation of Financial Statements", and the Regulation of The Stock Exchange of Thailand (SET) dated 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 and the Notification of the Department of Business Development dated September 28, 2011 regarding "The Brief Particulars in the Financial Statement B.E. 2554".
- 2.3 Since April 1, 2014, the Group adopted the new and revised Thai Financial Reporting Standards ("TFRSs") issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2014 onwards, in preparation and presentation of the financial statements as follows:

Thai Accounting Standards ("TAS")

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets

Thai Financial Reporting Standards ("TFRS")

TFRS 2 (Revised 2012)	Share-based Payments
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standard Interpretations ("TSIC")

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal form of a Lease
TSIC 29	Disclosure - Service Concession Arrangements
TSIC 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations ("TFRIC")

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement Contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment

Thai Financial Reporting Interpretations (“TFRIC”) (Continued)

TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Guideline on accounting

Guideline on accounting regarding stock dividend

Such TFRSs have no significant impact on the Group’s financial statements.

- 2.4 The Federation of Accounting Professions issued the Notification regarding the Conceptual Framework for Financial Reporting (Revised 2014), which was announced in the Royal Gazette and was effective on October 15, 2014 onwards to replace the Accounting Framework (Revised 2009).

The Group’s management adopted the Conceptual Framework for Financial Reporting (Revised 2014) in the preparation of the Group’s financial statements in the period that become effective. The Group’s management assessed the effects of such Conceptual Framework for Financial Reporting and it had no significant impact on the Group’s financial statements in the period of initial application.

- 2.5 The Federation of Accounting Professions issued the Notifications regarding the Thai Financial Reporting Standards (“TFRSs”), which are announced in the Royal Gazette and effective for the financial statements for the accounting periods beginning on or after January 1, 2015 onwards as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Venture
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible Assets
TAS 40 (Revised 2014)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2014)	Share - based Payments
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Accounting Standard Interpretations (“TSIC”)

TSIC 10 (Revised 2014)	Government Assistance - No specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal form of a Lease
TSIC 29 (Revised 2014)	Service Concession Arrangements : Disclosures
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (“TFRIC”)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under TAS 29 (Revised 2014) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

The Group's management will adopt the above TFRSs relevant to the Group in the preparation of the Group's financial statements when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

- 2.6 The Federation of Accounting Professions issued the Notification regarding the Thai Financial Reporting Standard (TFRS), which is announced in the Royal Gazette and effective for the financial statements for the periods beginning on or after January 1, 2016 onwards as follows:

Thai Financial Reporting Standard (TFRS)

TFRS 4 (Revised 2014)	Insurance Contracts
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The Group's management has assessed above Thai Financial Reporting Standard. Such TFRS is not applicable to the Group's business activities.

The consolidated financial statements for the years ended March 31, 2015 and 2014 did not include investment in Siam Steel Mill Services Company Limited on an equity method because the Company has no significant influence on Siam Steel Mill Services Company Limited which is held by The Siam Construction Steel Company Limited at 24% of its share capital. The Company and the subsidiary recorded such investment as other long-term investment at cost of Baht 1,241.

2.7 Basis for preparation of consolidated financial statements

The consolidated financial statements consist of the financial statements of the Company and of 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 that 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. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all types of deposits at financial institutions with the original maturities of three months or less from the date of acquisition, by excluding deposit at financial institutions used as collateral.

3.2 Trade and other receivables

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

Allowance for doubtful accounts

The Group determines allowance for doubtful accounts by using various assumptions and judgments of the management, which includes the estimated collection losses on receivables based on the Group's collection experience together with a review of the statement of financial position of the debtors and the aging report. The management reviews these estimates and assumptions on a regular basis.

The Group derecognises trade receivables after sales of the trade receivables only when it transfers substantially risks and rewards of ownership of the trade receivables to the buyer.

3.3 Inventories

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

Cost of inventories is calculated using the following method :

Finished goods and work in process	- at weighted average cost method
Merchandise, raw materials, spare parts, supplies and others	- at moving average cost method

The cost of inventories comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work in process, cost of inventories 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 of completion and the estimated costs necessary to make the sale.

3.4 Investments

Investments in subsidiaries

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

Available-for-sales investments

Available-for-sales investments are investments in marketable equity other than those investments which held for trading are classified as being available-for-sales investments and are stated at fair value, with any resultant gain or loss being recognised directly in equity.

The fair values of marketable securities are determined as the last quoted bid price at the statement of financial position date.

Other long-term investment

An investment in equity which is not marketable investment is stated at cost net of allowance for impairment, if any.

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 comprehensive income.

3.5 Property, plant and equipment

Land is stated at cost less allowance for impairment, if any.

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

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Depreciation

Depreciation is recorded as expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. The estimated useful lives are as follows:

Land improvements, building and structure	5 - 30	Years
Machinery and equipment	5 - 25	Years
Vehicles	5 - 10	Years
Furniture, fixture and office equipment	3 - 25	Years

The Group does not calculate depreciation for freehold land or assets under construction and installation.

3.6 Computer software

Computer software is stated at cost less accumulated amortisation and allowance for impairment, if any.

Amortisation

Amortisation is recognised as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of computer software of 5 years and 10 years.

3.7 Goodwill

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

Amortisation

Since April 1, 2008, the amortisation of goodwill has been ceased in the consolidated financial statements and changed to assess for impairment of goodwill instead.

The Group recognises goodwill at cost less allowance for impairment and impairment of goodwill will be tested at least once a year or when there are factors indicating that an investment might be impaired.

For impairment testing, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to obtain the benefit from the synergies of the combination and the Group will evaluate the recoverable amount of each cash-generating unit (or group of cash-generating units). If it is lower than the carrying amount of the unit, the Group recognises impairment loss in the statement of comprehensive income and cannot reverse allowance for impairment loss of goodwill in the future.

3.8 Impairment

The carrying amount of the Group's assets is reviewed at each year end to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

The Group recognises impairment loss when the recoverable amount of an asset is lower than its carrying amount, which the recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. In estimating the value in use, the Group determines the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs of disposal, the Group uses an appropriate and suitable valuation model, which reflects the amount that the Group could obtain from the disposal of the asset between knowledgeable, willing parties in an arm's length transaction, after deducting the costs of disposal.

The Group recognises an impairment loss in the statement of comprehensive income.

Reversal of an impairment loss

The Group reverses impairment loss of asset, if any, other than goodwill, which the Group had been recognised in the prior periods if an indicator for impairment may no longer exist or may have decreased which the Group must estimate the recoverable amount.

3.9 Employee benefits

Provident funds

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

Employee benefit obligations

The Group's obligations in respect of employee benefit obligations for employees who are entitled to receive it upon retirement under the Thai Labor Protection Act and other benefits according to the Group policy; 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 using the projected unit credit method.

The Company recognised expense for defined employee benefit plans as personnel expenses in the statement of comprehensive income.

The actuarial gains (losses) are recognised in other comprehensive income and transferred immediately to the retained earnings in the period in which they arise.

3.10 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 an operating lease. Rentals applicable to such operating leases are charged to the statement of comprehensive income on the straight-line basis.

Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Group is accounted for as a finance lease. The Group capitalised the asset at the lower of estimated present value of the underlying lease payments or at the fair value of the asset at the contractual date. The depreciation of the leased assets are calculated by 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 comprehensive income.

3.11 Recognition of revenue and expense

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership of goods are transferred to the buyer and 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. Revenue from the sales of goods is recognised upon delivery of goods to customer for domestic sales and to a common carrier for export sales, and deducting discounts, purchase volume discount and goods returned.

Management fee income is recognised as revenue when the service is rendered.

Interest income is recognised on accrual basis by reference to the principal outstanding at the contract rate.

Other income and expenses are recognised on an accrual basis.

3.12 Finance costs

Finance costs such as interest expenses and similar expenses are recognised in statement of comprehensive income for the period in which they are incurred, except to the extent that finance costs 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.

3.13 Income tax

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

Deferred tax assets and liabilities resulted from temporary differences between the carrying amounts of assets or liabilities in the statement of financial position and their tax bases. The Group recognises deferred tax liabilities for all taxable temporary differences and recognises deferred tax assets for deductible temporary differences and tax losses carried forward. The Group 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 statement of financial position date, the Group 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 Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax expenses (income) are charged or credited in the statement of comprehensive income, except when the temporary differences relate to items charged directly to equity where the related deferred tax is charged or credited to such item in equity.

3.14 Earnings (loss) per share

Basic earnings (loss) per share are calculated based on the profit (loss) for the year divided by the weighted average number of ordinary shares held by shareholders outstanding during the year and diluted earnings (loss) per share are calculated based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.15 Foreign currency transactions

Transactions denominated in foreign currencies are converted into Baht at rates of exchange prevailing at the transaction dates. All balances of assets and liabilities in foreign currencies outstanding 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 or losses on foreign exchange are recognised as an income or expenses in the statement of comprehensive income.

The Group 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 Group recognises gains or losses from the adjustment in the value of such forward exchange 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 statement of financial position date as income or expense in the statement of comprehensive income.

3.16 Financial instruments

The Group entered into forward foreign exchange contracts in asset and liability management activities to control exposure to fluctuations in foreign exchange rates. Further details of financial instruments are disclosed in Notes 25 and 26.

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 comprehensive income.

Amounts to be paid and received are offset in the statement of financial position and included in assets or liabilities in the statement of financial position.

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

3.17 Use of accounting estimates

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

Critical judgments in applying accounting estimates are as follows:

Impairment

An impairment loss is recognised if the carrying value of an asset exceeds the recoverable amount which is a higher of net selling price and value in use.

Value in use is computed from the present value of future cash flow projections expected from perpetual use of the asset, under current business conditions using reasonable market estimates.

Recognition of deferred tax asset

A deferred tax asset is recognised to the extent that it is probable that it will be utilised in the future. Such an assessment is based upon the probability that the Company will generate taxable income sufficient to fully utilise the deferred tax assets.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Cash	1	1	-	-
Bank deposits in current accounts	130,337	37,277	421	377
Bank deposits in savings accounts	578,212	802,066	478,045	639,787
Time deposits with maturity not more than 3 months	50	500,760	50	500,760
Total	708,600	1,340,104	478,516	1,140,924

4.2 Non-cash transactions in the consolidated and separate financial statements are as follows:

- The recording of investment in available-for-sale securities in the consolidated financial statements at fair value. For the years ended March 31, 2015 and 2014, the Group recorded unrealised loss on such investments of Baht 0.1 million and Baht 0.7 million, respectively.
- Non-cash item from purchases and increase of property, plant and equipment and computer software as at March 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Payables for property, plant and equipment and computer software brought forward	11,868	27,299	525	625
<u>Add</u> Purchase during the years	153,825	54,403	3,374	7,093
<u>Less</u> Payment during the years	(153,422)	(69,834)	(3,698)	(7,193)
Payable for property, plant and equipment and computer software carried forward	12,271	11,868	201	525

- During 2014, N.T.S. has written off trade accounts receivable and other receivables of Baht 17 million. The allowance for doubtful accounts has been fully provided for those trade accounts receivable. (2015: nil)
- In December 2013, the Company's preference shares were expired which resulted to increase in issued and paid up of ordinary share and related share premium as follows:

Unit : Thousand Baht

	Consolidated Financial Statements 2014	Separate Financial Statements 2014
Issued and paid-up share capital		
Preference shares brought forward	8,421,541	8,421,541
<u>Less</u> Expired preference shares	(8,421,541)	(8,421,541)
Preference shares carried forward	-	-
Share premium		
Preference shares brought forward	127,849	127,849
<u>Less</u> Expired preference shares	(127,849)	(127,849)
Preference shares carried forward	-	-

5. TRADE ACCOUNTS RECEIVABLE - OTHER COMPANIES

Trade accounts receivable - others companies as at March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Within credit terms	612,748	626,845	-	-
Overdue:				
Not over 3 months	28,532	10,338	-	-
Over 3 months to 6 months	9,634	13	-	-
Over 6 months to 12 months	7,960	-	-	-
Over 12 months	23,085	22,658	-	-
Total	681,959	659,854	-	-
<u>Less</u> Allowance for doubtful accounts	(21,875)	(22,180)	-	-
Total	660,084	637,674	-	-

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

For the years ended March 31, 2015 and 2014, the Group had sold trade receivables to the aforementioned financial institution amounting to Baht 9,137 million and Baht 10,236 million, respectively.

6. INVENTORIES

Inventories as at March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Finished goods	858,642	1,339,040	-	-
Work in process	464,587	703,348	-	-
Raw materials	526,728	1,042,343	-	-
Spare parts	718,513	748,958	-	-
Supplies and others	471,599	574,994	-	-
Raw materials in transit	218,888	215,985	-	-
Total	3,258,957	4,624,668	-	-
Less Allowance for diminution in value of inventory, and inventory obsolescence	(36,279)	(48,840)	-	-
Total	3,222,678	4,575,828	-	-

For the year ended March 31, 2015, the allowance for diminution in value of inventory and inventory obsolescence recognised in previous year of Baht 19 million had been reversed and the allowance for diminution in value of inventory and inventory obsolescence were recorded as part of cost of sales amounting to Baht 6 million.

For the year ended March 31, 2014, the allowance for diminution in value of inventory and inventory obsolescence recognised in previous year of Baht 29 million had been reversed and the allowance for diminution in value of inventory and inventory obsolescence were recorded as part of cost of sales amounting to Baht 2 million.

The amounts of inventories recognised as an expense in the consolidated financial statements for the years ended March 31, 2015 and 2014 were Baht 20,801 million and Baht 24,263 million, respectively.

7. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at March 31, consist of:

Unit : Thousand Baht

	Separate Financial Statements							
	Ownership interest (%)		Paid-up capital		Investments at cost		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014
Investment in equity								
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	105,000	210,000
N.T.S. Steel Group Public Company Limited	99.76	99.76	4,627,965	4,627,965	9,181,787	9,181,787	-	-
Total			6,497,965	6,497,965	15,393,047	15,393,047	105,000	210,000
<u>Less</u> Allowance for impairment of investment			-	-	(3,380,000)	(3,380,000)	-	-
Total			6,497,965	6,497,965	12,013,047	12,013,047	105,000	210,000

As at March 31, 2013, in consistent with Thai Accounting Standard No. 36 (Revised 2012) "Impairment of Assets", the Group has made an assessment of impairment loss to investment in N.T.S., and recorded impairment loss of investment in a subsidiary amounting to Baht 3,380 million in the separate statement of comprehensive income for the year ended March 31, 2013 based on the forecasted cash flow covering a period of 5 years and using a constant growth rate in forecasting future cash flows and using the discount rate at 9.00%.

The impairment loss is recognised as expenses included in the statements of comprehensive income for the year ended March 31, 2013 as follows:

Unit : Million Baht

	Consolidated Financial Statements	Separate Financial Statements
Impairment loss on investment in a subsidiary	-	3,380
Impairment loss on goodwill	660	-
Impairment loss on plant and equipment	2,720	-
	3,380	3,380
Impairment loss on obsolete equipment	220	-
Total	3,600	3,380

As at March 31, 2015 and 2014, the Group has made an assessment of impairment loss to investment in subsidiaries and no impairment was noted.

8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at March 31, consist of:

As at March 31, 2015

Unit : Thousand Baht

Consolidated financial statements					
	Balance as at April 1, 2014	Addition	Disposal	Transfer	Balance as at March 31, 2015
Cost					
Land	714,611	-	-	-	714,611
Land improvement, building and structure	4,453,392	12,534	-	15,365	4,481,291
Machinery and equipment	14,859,212	48,993	(41,633)	36,076	14,902,648
Vehicles	3,461	-	(134)	-	3,327
Furniture, fixtures and office equipment	186,233	6,134	(1,515)	1,976	192,828
Total cost	20,216,909	67,661	(43,282)	53,417	20,294,705
Accumulated depreciation					
Land improvement, building and structure	(2,507,697)	(81,356)	-	-	(2,589,053)
Machinery and equipment	(9,224,204)	(362,139)	19,306	-	(9,567,037)
Vehicles	(3,418)	(43)	134	-	(3,327)
Furniture, fixtures and office equipment	(143,725)	(14,550)	1,406	-	(156,869)
Total accumulated depreciation	(11,879,044)	(458,088)	20,846	-	(12,316,286)
	8,337,865				7,978,419
<u>Less</u> Allowance for impairment on plant and equipment	(2,939,708)	-	22,327	-	(2,917,381)
	5,398,157				5,061,038
Construction in progress, machinery and equipment under installation	21,505	85,150	-	(53,417)	53,238
Property, plant and equipment	5,419,662				5,114,276

As at March 31, 2014

Unit : Thousand Baht

Consolidated financial statements

	Balance as at April 1, 2013	Addition	Disposal	Transfer	Balance as at March 31, 2014
Cost					
Land	714,611	-	-	-	714,611
Land improvement, building and structure	4,449,176	-	-	4,216	4,453,392
Machinery and equipment	14,772,421	10,143	(35,692)	112,340	14,859,212
Vehicles	3,468	-	(7)	-	3,461
Furniture, fixtures and office equipment	176,981	5,027	(1,397)	5,622	186,233
Total cost	20,116,657	15,170	(37,096)	122,178	20,216,909
Accumulated depreciation					
Land improvement, building and structure	(2,426,572)	(81,125)	-	-	(2,507,697)
Machinery and equipment	(8,843,336)	(415,106)	34,238	-	(9,224,204)
Vehicles	(3,378)	(47)	7	-	(3,418)
Furniture, fixtures and office equipment	(129,940)	(15,081)	1,296	-	(143,725)
Total accumulated depreciation	(11,403,226)	(511,359)	35,541	-	(11,879,044)
	8,713,431				8,337,865
<u>Less</u> Allowance for impairment on plant and equipment	(2,939,708)	-	-	-	(2,939,708)
	5,773,723				5,398,157
Construction in progress, machinery and equipment under installation	105,990	37,693	-	(122,178)	21,505
Property, plant and equipment	5,879,713				5,419,662
Depreciation for the years					
2015					458,088
2014					511,359

As at March 31, 2015

Unit : Thousand Baht

Separate financial statements					
	Balance as at April 1, 2014	Addition	Disposal	Transfer	Balance as at March 31, 2015
Furniture, fixtures and office equipment	77,218	999	(344)	1,361	79,234
<u>Less</u> Accumulated depreciation	(66,052)	(4,542)	291	-	(70,303)
Furnishings Fixtures and office equipment during installation.	-	1,361	-	(1,361)	-
Property, plant and equipment	11,166				8,931

As at March 31, 2014

Unit : Thousand Baht

Separate financial statements					
	Balance as at April 1, 2013	Addition	Disposal	Transfer	Balance as at March 31, 2014
Furniture, fixtures and office equipment	71,686	5,553	(21)	-	77,218
<u>Less</u> Accumulated depreciation	(60,803)	(5,259)	10	-	(66,052)
Property, plant and equipment	10,883				11,166
Depreciation for the years					
2015					4,542
2014					5,259

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Costs of fully depreciated plant and equipment	5,450,378	5,320,456	62,690	51,884

As at March 31, there is office equipment under finance lease agreements of the Group included in the property, plant and equipment as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Cost of asset under finance lease agreements	43,838	44,128	43,293	43,582
<u>Less</u> Accumulated depreciation	(43,838)	(44,124)	(43,293)	(43,582)
Asset under finance lease agreements	-	4	-	-

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 Public Company Limited which have book value of Baht 3,792 million as at March 31, 2015 (Baht 4,057 million as at March 31, 2014) are used as collateral for the borrowings comprising long-term borrowings from two financial institutions (see Note 13.2).

On May 5, 2012, there was an explosion of a chemical container in a company located adjacent to the plant of The Siam Construction Steel Company Limited ("SCSC"). SCSC has restored its damaged assets and has received claim settlement after adjustment of salvage and contracted deductibles. SCSC has recorded claims received as other income in the statement of comprehensive income for the year ended March 31, 2014 of Baht 25 million. (2015 : nil)

Resulting from an impairment testing exercise, consistent with Thai Accounting Standard No. 36 (Revised 2012) "Impairment of Assets" (see Note 7) as at March 31, 2013, the Group decided to impair the plant and equipment at a subsidiary, N.T.S., and the losses included in the statement of comprehensive income under loss on impairment of plant and equipment. The impairment does not impact the Group's ability to produce finished goods, nor its ability to service existing and future market is in anyway diminished.

The Group's management decided to temporarily cease operation of the Mini Blast Furnace ("MBF") at N.T.S., the Company's subsidiary, from the end of August 2011 to September 2015 due to the high MBF input raw material prices internationally, thereby adversely impacting the viability of costs of steel produced through MBF route. For the years ended March 31, 2015 and 2014, depreciation and other expenses of MBF which incurred during the mothball period were totally Baht 28 million and Baht 15 million, respectively.

9. COMPUTER SOFTWARE

Computer software as at March 31, consists of:

As at March 31, 2015

Unit : Thousand Baht

Consolidated financial statements					
	Balance as at April 1, 2014	Addition	Disposal	Transfer	Balance as at March 31, 2015
Computer software	246,974	990	-	24	247,988
<u>Less</u> Accumulated amortisation	(134,260)	(24,344)	-	-	(158,604)
Computer software during installation	-	24	-	(24)	-
Computer software	112,714				89,384

As at March 31, 2014

Unit : Thousand Baht

Consolidated financial statements					
	Balance as at April 1, 2013	Addition	Disposal	Transfer	Balance as at March 31, 2014
Computer software	245,434	1,540	-	-	246,974
<u>Less</u> Accumulated amortisation	(110,078)	(24,182)	-	-	(134,260)
Computer software	135,356				112,714
Amortisation for the years					
2015					24,344
2014					24,182

As at March 31, 2015

Unit : Thousand Baht

Separate financial statements					
	Balance as at April 1, 2014	Addition	Disposal	Transfer	Balance as at March 31, 2015
Computer software	237,563	990	-	24	238,577
<u>Less</u> Accumulated amortisation	(127,062)	(23,839)	-	-	(150,901)
Computer software during installation	-	24	-	(24)	-
Computer software	110,501				87,676

As at March 31, 2014

Unit : Thousand Baht

Separate financial statements					
	Balance as at April 1, 2013	Addition	Disposal	Transfer	Balance as at March 31, 2014
Computer software	236,023	1,540	-	-	237,563
<u>Less</u> Accumulated amortisation	(103,385)	(23,677)	-	-	(127,062)
Computer software	132,638				110,501
Amortisation for the years					
2015					23,839
2014					23,677

Costs of fully amortised computer software that is still in use as at March 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Costs of fully amortised computer software	4,546	4,455	32	-

10. GOODWILL

Goodwill as at March 31, is as follows:

Unit : Thousand Baht

	Consolidated Financial Statements
Cost	5,607,769
<u>Less</u> Accumulated amortisation (up to March 31, 2008)	(1,491,432)
	4,116,337
<u>Less</u> Impairment loss of goodwill	(660,323)
As at March 31, 2014	3,456,014
As at March 31, 2015	3,456,014

Goodwill resulted from acquisition of The Siam Iron and Steel (2001) Company Limited, The Siam Construction Steel Company Limited and N.T.S. Steel Group Public Company Limited on November 29, 2002 by Tata Steel (Thailand) Public Company Limited.

Since April 1, 2008, the Group has ceased amortisation of goodwill and has 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, 2015 and 2014.

As at March 31, 2013, the Group performed a test of impairment of goodwill and recorded impairment loss totally of Baht 3,380 million consisting of impairment loss on goodwill of Baht 660 million and impairment loss on plant and equipment of Baht 2,720 million on the consolidated financial statements for the year ended March 31, 2013 because the recoverable amount of the cash-generating unit was lower than the carrying amount of the unit which is the investment in N.T.S. that is impaired by Baht 3,380 million (see Note 7).

As at March 31, 2015 and 2014, the Group performed a test of impairment of goodwill and no impairment was noted.

11. INCOME TAX EXPENSE AND DEFERRED TAX ASSETS

Income tax expense for the years ended March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Current income tax per tax return form	29,628	51,494	-	-
Deferred tax				
Movements in temporary differences	(4,013)	1,526	(1,509)	(1,093)
Write-off deferred tax assets	199,734	-	-	-
Income tax (income) expense as included in statements of comprehensive income	225,349	53,020	(1,509)	(1,093)

The difference between the tax rate of 20% for the years ended March 31, and the effective income tax rate compared to income before income tax are reconciled as follows:

Unit : Thousand Baht

	Consolidated Financial Statements	
	2015	2014
Profit (loss) before income taxes	(385,693)	83,804
Loss from inter-companies transactions	-	(139)
Profit (loss) before income taxes net of profit from inter-companies transactions	(385,693)	83,665
Income tax at 20%	(77,139)	16,789

Unit : Thousand Baht

	Consolidated Financial Statements	
	2015	2014
Effect of non-deductible expenses for tax purpose:		
- Temporary differences not accounted for deferred tax assets and elimination entries	100,356	36,065
- Permanent differences	2,398	166
- Write-off deferred tax assets	199,734	-
Income tax expense ⁽¹⁾	225,349	53,020

⁽¹⁾ The corporate income tax expense is based on the net taxable profit of each entity not based on the consolidation basis.

Temporary differences not accounted for deferred tax assets as at March 31, 2015 amounting to Baht 100 million resulted from the loss from the Group's operations because it is uncertain about the probability that the Group can utilise the deferred tax assets arising from such temporary differences.

Unit : Thousand Baht

	Separate Financial Statements	
	2015	2014
Profit before income taxes	13,488	128,717
Income tax at 20%	2,698	25,743
Effect of non-deductible expenses (income) for tax purpose:		
- Temporary differences not accounted for deferred tax assets	14,137	13,634
- Permanent differences such as dividend income	(18,344)	(40,470)
Income tax income	(1,509)	(1,093)

	Tax Rate (%)	Tax Rate (%)
Effective Tax Rate	(11)	(1)

For the years ended March 31, 2015 and 2014 the effective tax rate is lower than the statutory tax rate because the Company has net taxable loss for the year resulted from the dividend income which is exempted from corporate income tax.

As at March 31, deferred tax assets which resulted from the temporary differences between the carrying amount and its tax base of an asset and liability in the statements of financial position are as follows:

Consolidated financial statements

	Balance as at April 1, 2014	Recognised in profit or loss	Recognised in other comprehensive income Actuarial loss on defined employee benefit plan	Balance as at March 31, 2015
Deferred tax assets resulted from				
Employee benefit obligations	26,019	3,598	1,106	30,723
Allowance for diminution in value of inventory and inventory obsolescence	1,270	688	-	1,958
Accumulated tax loss carried forward	199,734	(199,734)	-	-
Profit on inventory from inter-company sales	212	(212)	-	-
Allowance for doubtful accounts	797	(61)	-	736
Total deferred tax assets	228,032	(195,721)	1,106	33,417

Unit : Thousand Baht

Consolidated financial statements

	Balance as at April 1, 2013	Recognised in profit or loss	Recognised in other comprehensive income Actuarial gain on defined employee benefit plan	Balance as at March 31, 2014
Deferred tax assets resulted from				
Employee benefit obligations	26,782	1,407	(2,170)	26,019
Allowance for diminution in value of inventory and inventory obsolescence	4,175	(2,905)	-	1,270
Accumulated tax loss carried forward	199,734	-	-	199,734
Profit on inventory from inter-company sales	240	(28)	-	212
Allowance for doubtful accounts	797	-	-	797
Total deferred tax assets	231,728	(1,526)	(2,170)	228,032

The Group has deferred tax assets related to tax loss carried forward of N.T.S. amounting to Baht 200 million mainly arising from the promoted business. Based on TAS No. 12 (Revised 2012) "Income Taxes", paragraph 34, it is concluded that the deferred tax asset should be written off in the year ended March 31, 2015.

As at March 31, 2015 and 2014, the Group had unused tax losses of Baht 5,818 million and Baht 4,549 million, respectively, which was not recognised as deferred tax assets. Such tax losses will gradually expire from March 2015 to November 2022.

Unit : Thousand Baht

	Separate financial statements			
	Balance as at March 31, 2014	Recognised in profit or loss	Recognised in other comprehensive income Actuarial gain on defined employee benefit plan	Balance as at March 31, 2015
Deferred tax assets resulted from Employee benefit obligations	8,951	1,509	(146)	10,314

Unit : Thousand Baht

	Separate financial statements			
	Balance as at March 31, 2013	Recognised in profit or loss	Recognised in other comprehensive income Actuarial gain on defined employee benefit plan	Balance as at March 31, 2014
Deferred tax assets resulted from Employee benefit obligations	8,535	1,093	(677)	8,951

As at March 31, 2015 and 2014, the Company had unused tax losses of Baht 139 million and Baht 68 million, respectively, which were not recognised as deferred tax assets. Such tax losses will gradually expire from March 2019 to March 2020.

Income tax rate reduction

According to the Royal Decree No. 577 B.E. 2557 issued under the Revenue Code regarding the corporate income tax rate reduction effective on November 11, 2014, to extend the corporate income tax rate reduction at 20% of net profit for accounting period beginning on or after January 1, 2015 but not later than December 31, 2015.

12. OTHER NON-CURRENT ASSETS

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Income tax refundable	216,126	204,246	57,548	45,922
Other long-term receivable				
- Tata Steel Global Holdings Pte. Ltd.	71,220	71,220	71,220	71,220
Others	7,321	8,848	4,195	4,193
Total	294,667	284,314	132,963	121,335

In December 2009, a subsidiary had a dispute regarding the interpretation of tax computation and the propriety of tax loss carried forward for promoted sector and its utilisation, amounting to a tax element inclusive of surcharge of Baht 103 million. In order to avoid the surcharge, the subsidiary decided to pay such additional tax. Subsequently, on September 13, 2010, the subsidiary submitted the filing of a revised return for tax refund and has filed an appeal to the Board of Tax Appeal based on the legal advice, seeking a clarification on the process for adjustment of carry forward losses with BOI schemes. On May 26, 2011, the subsidiary issued a letter requesting a refund from the Revenue Department where the Revenue Department has acknowledged and is determining such request. As at March 31, 2015, the case is still pending.

13. BORROWINGS FROM FINANCIAL INSTITUTIONS

13.1 Short-term borrowing

Short-term borrowing from local financial institutions as at March 31, consists of:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Short-term borrowings from financial institutions	2,298,949	2,085,036	120,000	-
Total	2,298,949	2,085,036	120,000	-

As at March 31, 2015 and 2014, the Group has borrowing from two financial institutions in the amount of Baht 1,343 million and Baht 1,163 million, respectively, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit in previous term totaling of Baht 1,500 million, for scrap purchasing. Subsequently, on December 26, 2014, the Group increased such credit limit totaling of Baht 1,998 million.

As at March 31, 2015 and 2014, the Group has borrowing from another financial institution in the amount of Baht 724 million and Baht 922 million, respectively, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit in previous term totaling of Baht 968 million, for utilities financing. Subsequently, on August 29, 2014, the Group increased such credit limit totaling of Baht 1,068 million.

As at March 31, 2015, the Group has borrowing from a financial institution in the amount of Baht 112 million, bearing the interest rate at BIBOR+2% per annum which was an agreement for short-term credit facilities limit totaling of Baht 150 million, for other raw materials. (2014 : nil)

As at March 31, 2015, the Company has borrowing from a financial institution in the amount of Baht 120 million, bearing the interest rate at 4.81% - 4.82% per annum for working capital. (2014 : nil)

As at March 31, 2015 and 2014, the Group has agreements with 8 local financial institutions to obtain credit facilities limit of Baht 6,723 million for working capital. The interest rates of these credit facilities are as follows:

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

As at March 31, 2015 and 2014, the Group has withdrawn the loans including letters of credit and trust receipts totaling Baht 824 million and Baht 1,120 million, respectively.

13.2 Long-term borrowings

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Within one year	865,000	1,610,000	865,000	1,610,000
After one year but not over five years	200,000	1,065,000	200,000	1,065,000
Total	1,065,000	2,675,000	1,065,000	2,675,000

The long term borrowings comprising of 2 loan agreements, the first dated November 29, 2006 for Baht 5,000 million with interest rate at MLR-1.25% p.a., and the second dated November 9, 2007 for Baht 3,500 million with interest rate at MLR-2.00% p.a. and their amendments thereto. The loans are secured by the property, plant and equipment of all subsidiaries as mentioned in Note 8. The loans contain restrictions on financial ratios and shareholders' structure which is in accordance with requirements in loan agreements from financial institutions.

The Group has approached the lenders for installment payment rescheduling to match with projected debt servicing capability based on current business strategy, which is under active consideration of the lenders. During the time that such considering of the installment payment rescheduling is not finalised, the Group has maintained installment payments in accordance with existing terms.

As at March 31, 2015, the Company had a debt service coverage ratio ("DSCR") lower than the required ratio specified in the loan agreements with two financial institutions. Waivers for non-compliance of DSCR specified in the loan agreements of both lenders were obtained.

14. TRADE ACCOUNTS PAYABLE OF A SUBSIDIARY ARISING FROM RESTRUCTURING

As at March 31, 2012, the aforementioned trade accounts payable represent trade payable of N.T.S. 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 that 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) Company Limited and The Siam Construction Steel Company Limited without guarantee fees.

As at March 31, 2015 and 2014, such payable is due within one year. Therefore, it is classified as current liabilities.

During 2014, N.T.S. has made a payment of such trade accounts payable arising from restructuring of Baht 48.5 million and had been granted a hair-cut which was recorded as other income in the statement of comprehensive income for the year ended March 31, 2014 of Baht 2.9 million (see Note 19). (2015: nil)

15. PROVIDENT FUND

The defined contribution plan comprise provident fund for its employees of the Group. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 10% of their basic salaries and by the Group at rate from 3% 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, 2015 and 2014, the contribution of the Group recognised as expenses included in the consolidated statement of comprehensive income amounting to Baht 39.58 million and Baht 38.62 million, respectively, and in the separate statement of comprehensive income amounting to Baht 12.69 million and Baht 12.24 million, respectively.

16. EMPLOYEE BENEFIT OBLIGATIONS

As at March 31, 2015 and 2014, the Group recorded a provision for employee benefit obligations totaling Baht 158 million and Baht 124 million, respectively. The estimated liability was calculated based on the projected unit credit method by a qualified independent actuary.

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

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Discount rate (%)	3.02 - 3.33	3.71	3.02	3.71
Average expected rate of salary increase (%)	5.05	5.00	5.05	5.00
Voluntarily resignation Rate (%)	0 - 27.00	0 - 17.00	0 - 27.00	0 - 17.00
Employee retirement age (year)	55 - 60	55 - 60	55 - 60	55 - 60

The benefit cost recognised in the statement of comprehensive income for the years ended March 31, are as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Past service cost	15,769	-	5,464	-
Current service cost	14,076	9,945	4,584	2,448
Interest cost	4,986	4,521	1,543	1,457
Total	34,831	14,466	11,591	3,905

The provision for employee benefit obligations as at March 31, and movements in the present value of the defined benefit obligation for the years ended March 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Present value of unfunded obligations	157,881	123,948	47,850	40,920

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Beginning of provision for employee benefit obligations	123,948	138,663	40,920	42,676
Other long-term employee benefit	2,075	-	332	-
Revised the beginning of provision for employee benefit obligations ⁽¹⁾	126,023	138,663	41,252	42,676
Past service cost	15,769	-	5,464	-
Current service cost	14,076	9,945	4,584	2,447
Interest cost	4,986	4,521	1,543	1,458
Net actuarial (gain) loss recognised during the years	7,746	(16,809)	(733)	(3,386)
Severance paid during the years	(10,719)	(12,372)	(4,260)	(2,275)
Ending of provision for employee benefit obligations	157,881	123,948	47,850	40,920

(1) Beginning provisions for employee benefit obligations are not equal to the ending of prior year because the Group has changed the method of other long-term employee benefit calculation according to the Group Policy.

17. SHARE CAPITAL AND LEGAL RESERVE

Preference Shares

Rights attaching to the preference shares are as follows:

- Preference 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 preference shares at the date of liquidation multiplied by Baht 1.87 and the outstanding number of preference shares at the date of liquidation multiplied by Baht 1.30.
- Preemptive rights of preference shares are effective within 11 years which is due on 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 preference shares are immediately expired and preference shares are converted to ordinary shares.
- Preference shareholders are entitled to the same voting rights as ordinary shareholders.
- Preference shares are convertible to ordinary shares in proportion 1 : 1 at the option of the preference shareholders by requesting to the Company and surrender certificates.

On July 31, 2013, the Annual General Meeting of the Shareholders of the Company approved a resolution to decrease the registered capital of Baht 2,604,038,725 from the existing registered capital of Baht 11,025,579,573 to Baht 8,421,540,848 by cancelling the 2,604,038,725 ordinary shares which was reserved for the conversion of the warrants.

On November 30, 2013, the 252,773,225 preference shares were expired because their conversion rights were not exercised within the specified period. On December 9, 2013, the Company converted the preference shares into ordinary shares for the last shareholder, which holds 252,773,225 preference shares. The Company registered the changes on its ordinary shares with the Department of Business Development, Ministry of Commerce, on December 13, 2013.

Legal reserve

According to 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, if any, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the authorised shares capital. The legal reserve is not allowable for dividend distribution.

According to the Civil and Commercial Code, subsidiary companies must appropriate to a reserve fund at each distribution of dividend at least one-twentieth of the profit arising from the business of that companies until the reserve fund reaches one-tenth part of capital of subsidiary companies. Such reserve is not allowable for distribution as dividends.

18. CAPITAL MANAGEMENT

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

The management sets strategies to support the Group's business operations to be more efficiency including setting dividend and capital management policies to maintain the optimal capital structure and cost of capital and to comply with the Debt Covenant Ratios.

19. OTHER INCOME

Other income for the years ended March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Compensation from insurance company	-	33,331	-	-
Gain from debt restructuring (see Note 14)	-	2,888	-	-
Dividend income from other long-term investment	16,800	-	-	-
Others	14,788	20,576	1,200	691
Total	31,588	56,795	1,200	691

20. EXPENSES BY NATURE

Significant expenses by nature for the years ended March 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Change in finished goods and work in process	722,783	208,534	-	-
Raw materials and consumables used	14,406,978	17,367,761	-	-
Store and supplies used	711,200	859,705	-	-
Fuel	790,042	976,947	-	-

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Depreciation, amortisation and amortisation of rolling mill expenses	521,164	588,843	28,382	28,936
Employee benefits expenses	805,032	786,578	218,731	216,363
Utilities expenses	2,263,599	2,701,100	1,018	888
Repair and maintenance expenses	565,691	676,495	165	377
Contractor	176,187	165,214	-	-
Delivery and selling expenses	196,172	206,206	-	-
Bank charges	67,128	72,226	81	87
Premium on forward foreign exchange contract	13,366	19,796	-	-
Rent	48,308	45,112	27,263	24,296
Reversal of allowance for diminution in value of inventory and inventory obsolescence	(12,561)	(32,734)	-	-

21. EARNINGS (LOSS) PER SHARE

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Basic earnings (loss) per share				
Profit (loss) for the years	(611,042)	30,784	14,997	129,811
Net loss attributable to non-controlling interest	1,278	8	-	-
Net profit (loss) attributable to the owners of the parent	(609,764)	30,792	14,997	129,811
Weighted average number of ordinary shares Shares	8,421,540,848	8,247,023,443	8,421,540,848	8,247,023,443
Basic earnings (loss) per share	Baht	(0.07)	0.00	0.02
Diluted earnings (loss) per share				
Weighted average number of ordinary shares Shares	8,421,540,848	8,247,023,443	8,421,540,848	8,247,023,443
Effect of convertible preferred shares (Note 17) Shares	-	174,517,405	-	174,517,405
Weighted average number of ordinary shares outstanding at end of the years (diluted) Shares	8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Diluted earnings (loss) per share	Baht	(0.07)	0.00	0.02

22. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are those parties linked to the Group 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 fees income	Contract rate
Service fee paid	Contract rate
Interest income	Contract rate
Interest expense	Contract rate

The major related parties as at March 31, 2015 are as follows:

Type	Name	Type of Business	Relationship
Ultimate parent company	Tata Steel Limited	Manufacture steel	Ultimate parent company
Major shareholder	Tata Steel Global Holdings Pte. Ltd.	Investing	Major shareholder
Subsidiaries	The Siam Iron and Steel (2001) Company Limited	Manufacture wire rods and small section products	Common shareholders and managements
	The Siam Construction Steel Company Limited.	Manufacture steel bars	Common shareholders and managements
	N.T.S. Steel Group Public Company Limited	Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products	Common shareholders and managements
Other parties	The Siam Industrial Wire Co., Ltd.	Manufacture steel wire	Same group of shareholders
	NatSteel Trade International Pte. Ltd.	Trading	Same group of shareholders
	NatSteel Recycling Pte. Ltd.	Trading	Same group of shareholders
	Tata International Metals (Asia) Limited (Formerly name Tata Steel International (Hong Kong) Ltd.)	Trading	Same group of shareholders
	Tata Steel Asia (Hong Kong) Ltd.	Trading	Same group of shareholders
	Tata Refractories Ltd.	Manufacture refractory	Same group of shareholders
	NatSteel Holdings Pte. Ltd.	Manufacture steel	Same group of shareholders
	Tata Steel UK Ltd.	Manufacture steel	Same group of shareholders
	Tata Steel International (Singapore) Pte. Ltd.	Trading	Same group of shareholders

Type	Name	Type of Business	Relationship
Other parties	Tata Steel IJmuiden BV	Manufacture steel	Same group of shareholders
	Tata Consultancy Services (Thailand) Ltd.	Software services	Same group of shareholders
	Tata Consultancy Services Ltd.	Software services	Same group of shareholders
	Tata Services Limited	Training services	Same group of shareholders
	Tata Sons Limited	Investment holdings and consultancy services	Same group of shareholders
	Tata Steel Resources Australia Pte. Ltd.	Procurement	Same group of shareholders
	Tata NYK Shipping Pte. Ltd.	Shipping	Same group of shareholders
	Mjunction Services Limited	Trading and procurement	Same group of shareholders
	Siam Steel Mill Services Co., Ltd.	Recycling and reprocessing steel scrap	Indirect shareholding by subsidiary
	Tata Steel Global Procurement Co. Pte. Ltd.	Trading	Same group of shareholders
	Tata Steel International (UK) Ltd.	Shipping	Same group of shareholders
	Tata Steel Nederland Services B.V.	Manufacture steel	Same group of shareholders
	Tata South East Asia Limited	Manufacture steel	Same group of shareholders
	TSN Wires Co., Ltd.	Manufacture galvanized steel wire	Same group of shareholders
	Tata International Limited	Trading	Same group of shareholders
	Tata Steel Processing and Distribution Limited	Processing and distribution steel	Same group of shareholders

Balances with related parties as at March 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Trade accounts receivable - related parties				
The Siam Industrial Wire Co., Ltd.	-	47,973	-	-
TSN Wires Co., Ltd.	-	7,089	-	-
Total	-	55,062	-	-

As at March 31, trade accounts receivable from related parties aged are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Within credit terms	-	38,833	-	-
Overdue: not over 3 months	-	16,229	-	-
Total	-	55,062	-	-
Other receivables - related parties				
The Siam Iron and Steel (2001) Company Limited	-	-	1,482	13,935
The Siam Construction Steel Company Limited	-	-	17,607	20,419
N.T.S. Steel Group Public Company Limited	-	-	16,290	5,100
Siam Steel Mill Services Co., Ltd.	788	710	-	-
Tata Steel Limited	24	-	10	-
Tata Steel Nederland Services B.V.	-	432	-	432
Total	812	1,142	35,389	39,886
Short-term loans to related parties				
The Siam Iron and Steel (2001) Company Limited	-	-	-	159,176
N.T.S. Steel Group Public Company Limited	-	-	1,612,507	223,014
Total	-	-	1,612,507	382,190

Short-term loans to related parties are non-collateralised loans carrying interest rate as at March 31, 2015 and 2014 at 1% - 5.5% p.a.

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

Unit : Thousand Baht

	Consolidated Financial Statements	Separate Financial Statements
As at March 31, 2013	-	336,386
Increase	-	45,804
As at March 31, 2014	-	382,190
Increase	-	1,230,317
As at March 31, 2015	-	1,612,507

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Long-term loans to a related party				
N.T.S. Steel Group Public Company Limited				
(Interest at MLR-1.25% p.a.)	-	-	-	675,000
(Interest at MLR-2.00% p.a.)	-	-	1,065,000	2,000,000
Total	-	-	1,065,000	2,675,000

The long-term loans to a related party are non-collateralized loan according to the loan agreements dated November 30, 2006 and November 9, 2007.

In November 2011, the Company made the supplement to both long-term loan agreements in order to extend the first installment repayment to November 30, 2012 and the last installment repayment is on August 31, 2016 with carrying interest rate of MLR-1.25% and MLR-2.00% per annum.

During the years ended March 31, 2015 and 2014, there was no additional long-term loan granted to a related party and the Company received the long-term loan repayment from a related party of Baht 1,610 million and Baht 1,650 million, respectively.

The maturity period of repayment as at March 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Within one year	-	-	865,000	1,610,000
After one year but not over five years	-	-	200,000	1,065,000
Total	-	-	1,065,000	2,675,000
Other non-current asset				
Tata Steel Global Holdings Pte. Ltd.*	71,220	71,220	71,220	71,220

* The Company had paid for the advance payment for Brand Promotion fee, approximately Baht 71 million in 2008. During the year 2014, the receivable was changed from Tata Sons Ltd. to Tata Steel Global Holdings Pte. Ltd.

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Trade accounts payable - related parties				
NatSteel Recycling Pte. Ltd.	84,207	667,685	-	-
Tata International Metals (Asia) Limited	179,848	-	-	-
Tata Steel Asia (Hong Kong) Ltd.	-	36,722	-	-
Tata International (Singapore) Pte. Ltd.	4,370	-	-	-
Siam Steel Mill Services Co., Ltd.	21,840	21,468	-	-
Total	290,265	725,875	-	-
Other payables - related parties				
The Siam Iron and Steel (2001) Company Limited	-	-	95	-
The Siam Construction Steel Company Limited	-	-	1,483	1,144
N.T.S. Steel Group Public Company Limited	-	-	115	359
The Siam Industrial Wire Co., Ltd.	441	-	-	-
Tata Consultancy Services (Thailand) Ltd.	1,902	3,087	1,902	3,087
Tata Steel UK Ltd.	12	12	12	12
Siam Steel Mill Services Co., Ltd.	825	317	-	-
Tata Sons Limited	33	5,510	33	5,510
Total	3,213	8,926	3,640	10,112
Advance received from customer				
The Siam Industrial Wire Co., Ltd.	99,658	-	-	-
Short-term borrowings from related parties				
The Siam Iron and Steel (2001) Company Limited (Interest at 1.5% p.a.)	-	-	101,455	-
The Siam Construction Steel Company Limited (Interest at 1.5% p.a.)	-	-	1,129,905	819,282
Total	-	-	1,231,360	819,282
Long-term borrowing from a related party**				
Tata Steel Global Holding Pte. Ltd.	270,596	270,596	270,596	270,596

** By letter dated August 3, 2012, the Company requested for the extension of long-term borrowing repayment from a related party that falls due on November 12, 2012 to August 31, 2016. The Company has obtained a confirmation letter dated August 22, 2012 from such related party. The long-term borrowing from a related party carries no interest.

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Revenues				
Sales				
The Siam Industrial Wire Co., Ltd.	666,717	925,379	-	-
NatSteel Holdings Pte. Ltd.	-	6,403	-	-
Tata Steel Limited	212,103	123,565	-	-
TSN Wires Co., Ltd.	31,450	121,884	-	-
Total	910,270	1,177,231	-	-
Interest income				
The Siam Iron and Steel (2001) Company Limited	-	-	7,262	12,508
N.T.S. Steel Group Public Company Limited	-	-	99,449	186,845
Total	-	-	106,711	199,353
Management fees income***				
The Siam Iron and Steel (2001) Company Limited	-	-	12,000	113,089
The Siam Construction Steel Company Limited	-	-	170,505	185,517
N.T.S. Steel Group Public Company Limited	-	-	162,440	12,000
Total	-	-	344,945	310,606

*** In 2010, the parent company made the agreement for management fee by determining based on 2.0% of the annual net sales. In case that subsidiaries have the annual loss excluding management fee, the parent company shall charge such management fee not exceed Baht 1 million per month. This agreement is effective on April 1, 2010, onward.

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Other income				
Siam Steel Mill Services Co., Ltd.	8,703	8,149	-	-
Expenses				
Purchases				
The Siam Industrial Wire Co., Ltd.	-	677	-	-
NatSteel Trade International Pte. Ltd.	273,247	-	-	-
NatSteel Recycling Pte. Ltd.	404,142	2,003,125	-	-
Tata International Metals (Asia) Limited	181,782	6,299	-	-
Tata Steel Asia (Hong Kong) Ltd.	1,452	177,195	-	-
Tata Steel International (Singapore) Pte. Ltd.	24,774	-	-	-
Siam Steel Mill Services Co., Ltd.	221,788	188,637	-	-
Tata International Limited	18,539	-	-	-
Total	1,125,724	2,375,933	-	-
Interest expenses				
The Siam Iron and Steel (2001) Company Limited	-	-	50	2
The Siam Construction Steel Company Limited	-	-	12,703	11,654
N.T.S. Steel Group Public Company Limited	-	-	182	5,584
Total	-	-	12,935	17,240
Other expenses				
The Siam Industrial Wire Co., Ltd.	-	5	-	-
NatSteel Holdings Pte. Ltd.	80	142	40	142
Tata Consultancy Services (Thailand) Ltd.	11,092	11,496	11,092	11,496
Tata Sons Limited	757	5,560	757	264
Mjunction Services Limited	-	4	-	-
Siam Steel Mill Services Co., Ltd.	8,099	7,785	-	-
Tata Steel Global Holdings Pte. Ltd.	-	19	-	19
Tata Steel Limited	11	90	11	90
Total	20,039	25,101	11,900	12,011
Key management compensation				
Short-term employee benefits	57,797	62,150	57,797	62,150
Post-employment benefits	15,803	12,730	15,803	12,730
Total	73,600	74,880	73,600	74,880

23. INVESTMENT PROMOTIONAL PRIVILEGES

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, a subsidiary has been granted privileges by the Board of Investment ("BOI") relating to the following:

Subsidiary	Promoted Business	Exemption from corporate income tax for 8 years from
N.T.S. Steel Group Public Company Limited	Manufacturing of steel wire rods	April 2006 - April 2014
N.T.S. Steel Group Public Company Limited	Manufacturing of steel hot metal, pig iron and steel billet	November 2009 - November 2017

As a promoted company, the subsidiary must comply with certain conditions and restrictions provided for in the promotional certificates.

24. REVENUES REPORTING OF A PROMOTED INDUSTRY

According to the Announcement of the Board of the Investment No. 14/2541 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. Such information is as follows:

Unit : Million Baht

Consolidated Financial Statement			
For the year ended March 31, 2015			
	Promoted Sector	Non-promoted sector	Total
Revenues			
Revenue from domestic sales	39	19,721	19,760
Revenue from export sales	3	1,592	1,595
Total revenues from sales	42	21,313	21,355
Other income	-	55	55
Total revenues	42	21,368	21,410

Consolidated Financial Statement**For the year ended March 31, 2014**

	Promoted Sector	Non-promoted sector	Total
Revenues			
Revenue from domestic sales	2,083	20,602	22,685
Revenue from export sales	21	2,657	2,678
Total revenues from sales	2,104	23,259	25,363
Other income	-	77	77
Total revenues	2,104	23,336	25,440

25. 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, checking credit insurance cover, asking for bank guarantees and/or personal guarantees, credit terms, controlling credit utilisation and reviewing collections. The credit risk is the fair value of trade accounts receivable and other receivables presented in the statement of financial position which are the balance net of an allowance for doubtful accounts estimated by management.

Interest Rate Risk and Foreign Exchange Rate

Interest rate risk occurs from the Group maintains its loans and borrowings at floating rate.

Foreign exchange risk occurs from the fluctuating of foreign currency. The Group has no policy to use financial derivatives for speculation or trading.

In addition, in order to manage risk from fluctuation in foreign exchange currency, the Group has entered into forward foreign exchange contracts to hedge its debts as disclosed in Note 26.

Liquidity Risk

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 methods and assumptions in estimating the fair value of financial instruments as follows:

Cash and cash equivalents, trade and other receivables, short-term borrowings from financial institutions, trade and other payables, current portion of trade accounts payable of a subsidiary arising from restructuring and current portion of long-term borrowings - the carrying values approximates its fair values due to the relative short-term maturity of these financial instruments.

Available-for-sale investments - fair value is determined as the last quoted bid price at the statement of financial positions date.

Long-term borrowings - the carrying values approximates its fair values because these financial instruments bear interest at floating market rates.

The fair values as at March 31, of long-term borrowing from a related party carries no interest is calculated by discounting the future cash flow at loan rate is as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Long-term borrowing from a related party	251,642	239,112	251,642	239,112

26. FORWARD FOREIGN EXCHANGE CONTRACTS

The Group entered into forward foreign exchange contracts - bought/sold to cover foreign exchange exposure on liabilities associated with its trade accounts payable denominated in foreign currency of the Group. The Group does not enter into financial instruments for speculative or trading purposes.

The contractual amounts of the Group's forward foreign exchange contracts are as follows:

Consolidated financial statements As at March 31, 2015					
Currency	Contract Amount	Forward exchange rate per contract (Baht per currency)	Maturity date	Value per forward contract (Thousand Baht)	Fair Value gain (loss) (Thousand Baht)
Forward exchange contracts - bought					
USD	213,578	32.59	May 22, 2015	6,960	6
USD	7,119,586	32.65 - 33.10	April 30 - October 30, 2015	233,850	(610)
SGD	1,400,000	24.74	September 30, 2015	34,636	(1,411)
EUR	130,000	41.19	July 31, 2015	5,355	(742)

Consolidated financial statements As at March 31, 2014					
Currency	Contract Amount	Forward exchange rate per contract (Baht per currency)	Maturity date	Value per forward contract (Thousand Baht)	Fair Value gain (loss) (Thousand Baht)
Forward exchange contracts - bought					
USD	9,809,000	31.53 - 32.62	April 21 - November 13, 2014	315,240	4,492
USD	9,195,195	32.67 - 33.42	April 28 - October 24, 2014	304,074	(4,308)
SGD	2,000,000	26.42	August 29, 2014	52,840	(1,034)
EUR	520,000	45.19	August 29, 2014	23,496	(151)

Fair value of forward foreign exchange contracts - bought/sold as at March 31, is as follows:

Unit : Thousand Baht

	2015	2014
Derivative assets	6	4,492
Derivative liabilities	(2,763)	(5,493)
Net loss	(2,757)	(1,001)

27. COMMITMENTS

As at March 31, 2015 and 2014, the Group had commitments as follows:

- (a) Letters of credit opened but are not qualified as liabilities as at March 31, are as follows:

Unit : Thousand

	Consolidated Financial Statements	
	2015	2014
Currencies		
JPY	-	5,800
USD	898	628
EUR	188	576

- (b) Letters of guarantee issued by the financial institutions to the Revenue Department, Electricity Generating Authority of Thailand, Provincial Electricity Authority and Industrial Estate Authority of Thailand as at March 31, 2015 and 2014 amounting to Baht 386 million and Baht 378 million, respectively, in the normal courses of business.

- (c) Commitments on purchase and installation of machinery as at March 31, are as follows:

Unit : Thousand

	Consolidated Financial Statements	
	2015	2014
Currencies		
THB	11,931	1,880
EUR	36	911

- (d) As at March 31, the Group has operating lease commitment for land, office building, vehicles and office equipment (including service charges) as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Within one year	39,886	36,836	23,915	21,279
After one year but not over five years	58,816	74,589	26,284	33,925
After five years	-	4,794	-	-
Total	98,702	116,219	50,199	55,204

For the years ended March 31, 2015 and 2014, rentals applicable to long-term lease and service have been recorded as expenses in the statements of comprehensive income for the consolidated financial statements are Baht 48.31 million and Baht 45.11 million, respectively and separate financial statements are Baht 27.26 million and Baht 24.30 million, respectively.

28. CONTINGENT LIABILITIES

For fiscal year ended March 31, 2014, The Siam Construction Steel Company Limited, a subsidiary, received the notifications from the Revenue Department informing the assessments of additional surcharge of Baht 16.29 million in respect of the half-year corporate income tax filing for the year ended March 31, 2008 which the subsidiary under-estimated the net profit for that year by an amount exceeding 25 percent of the actual net profit. The subsidiary considered that there was a reasonable event occurred in the second half of that year that caused the net-profit under-estimated. As of March 31, 2015, the subsidiary has made the appeal to the Revenue Department and the result of this assessment has not been finalised. However, the subsidiary expected that there would not be additional surcharge to be paid and has not recorded the provisions in the financial statements.

29. SEGMENT INFORMATION

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

The Group's operations involve the single business segment of the manufacture and distribution of long steel products, which is located in Thailand. Sales of the subsidiaries are mainly local sales whereas an export sale is not significant. As a result, all the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographic area.

30. APPROVAL FOR THE FINANCIAL STATEMENTS

These financial statements have been approved by the Board of Directors of the Company for issuing on April 28, 2015.