TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the company for the financial year ended March 31, 2017.

In the opinion of the directors, the accompanying financial statements as set out on pages 6 to 27 are drawn up so as to give a true and fair view of the financial position of the company as at March 31, 2017, and the financial performance, changes in equity and cash flows of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the company in office at the date of this statement are:

Anil Jhanji
Ashish Anupam
Sanjib Nanda

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations, except as follows:

	Shareholdings registered in name of directors	
Name of directors and companies in which interests are held	At beginning of year	At end of year
Ultimate holding company - Tata Steel Limited		
Ordinary shares of Rupees 10 each		
Anil Jhanji	210	210
Sanjib Nanda	484	484
Ashish Anupam	185	185

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

DIRECTORS' STATEMENT

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the company were granted.

(b) *Options exercised*

During the financial year, there were no shares of the company issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the company under option.

ON BEHALF OF THE DIRECTORS

....
Anil Jhanji

....
Sanjib Nanda

June 30, 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tata Steel International (Singapore) Holdings Pte. Ltd. (the "company"), which comprise the statement of financial position of the company as at March 31, 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 27.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at March 31, 2017 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Public Accountants and
Chartered Accountants
Singapore

June 30, 2017

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

STATEMENT OF FINANCIAL POSITION
March 31, 2017

	Note	2017	2016	2015
		US$	US$ (Restated)	US$ (Restated)
ASSETS				
Current asset				
Trade and other receivables	6	7,055,856	-	-
Non-current asset				
Subsidiaries	7	58,243,023	57,900,023	58,570,816
Total assets		65,298,879	57,900,023	58,570,816
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	8	2,045,205	-	-
Income tax payable		481	-	-
Total current liabilities		2,045,686	-	-
Capital and accumulated losses				
Share capital	9	69,293,103	69,293,103	69,293,103
Accumulated losses		(6,039,910)	(11,393,080)	(10,722,287)
Net equity		63,253,193	57,900,023	58,570,816
Total liabilities and equity		65,298,879	57,900,023	58,570,816

See accompanying notes to financial statements.

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Financial year ended March 31, 2017

	Note	2017	2016
		US$	US$ (Restated)
Revenue	10	2,055,856	-
Cost of sales		(2,045,205)	-
Gross Profit		10,651	-
Other operating income	11	5,343,000	-
Other operating expenses	12	-	(670,793)
Profit (Loss) before income tax		5,353,651	(670,793)
Income tax expense	13	(481)	-
Profit (Loss) for the year, representing total comprehensive income (loss) for the year	14	5,353,170	(670,793)

See accompanying notes to financial statements.

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
Financial year ended March 31, 2017

	Share capital	Accumulated losses	Net
	US$	US$	US$
Balance at April 1, 2015 (as restated)	69,293,103	(10,722,287)	58,570,816
Loss for the year, representing total comprehensive loss for the year (as restated)	-	(670,793)	(670,793)
Balance at March 31, 2016 (as restated)	69,293,103	(11,393,080)	57,900,023
Profit for the year, representing total comprehensive income for the year	-	5,353,170	5,353,170
Balance at March 31, 2017	69,293,103	(6,039,910)	63,253,193

See accompanying notes to financial statements.

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

STATEMENT OF CASH FLOWS
Financial year ended March 31, 2017

	2017	2016
	US$	US$ (Restated)
Operating activities		
Profit (Loss) before income tax	5,353,651	(670,793)
Adjustment for:		
Dividend income from subsidiary	(5,000,000)	-
(Reversal of) Impairment loss in subsidiaries	(343,000)	670,793
Operating cash flows before movements in working capital	10,651	-
Trade and other receivables	(2,055,856)	-
Trade and other payables	2,045,205	-
Net cash from operating activities	-	-
Cash and cash equivalents at beginning and at end of the year	-	-

See accompanying notes to financial statements.

1 GENERAL

The company (Registration No. 200801936W) is incorporated in the Republic of Singapore with its principal place of business and registered office at 22 Tanjong Kling Road, Singapore 628048. The financial statements are expressed in United States dollars.

The principal activity of the company is that of investment holding. During the year, the company commenced activities relating to trading of metal products.

The financial statements of the company for the financial year ended March 31, 2017 were authorised for issue by the Board of Directors on June 30, 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Financial Reporting Standards in Singapore (“FRS”).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – On April 1, 2016, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following FRSs, INT FRSs and amendment to FRS that are relevant to the company were issued but not yet effective:

- FRS 109 *Financial Instruments* [(2)]
- FRS 115 *Revenue from Contracts with Customers (with clarifications issued)* [(2)]
- Amendments to FRS 7 *Statement of Cash Flow: Disclosure Initiative* [(1)]

[(1)] Applies to annual periods beginning on or after January 1, 2017, with early application permitted.
[(2)] Applies to annual periods beginning on or after January 1, 2018, with early application permitted.

Consequential amendments were also made to various standards as a result of these new/revised standards.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the company in the period of their initial adoption, except for the following:

FRS 109 *Financial Instruments*

FRS 109 was issued in December 2014 to replace FRS 39 *Financial Instruments: Recognition and Measurement* and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities (ii) general hedge accounting and (iii) impairment requirements for financial assets.

Key requirements of FRS 109:

- All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (FVTOCI). All other debt instruments and equity investments are measured at FVTPL at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.

- With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of such financial liability that is attributable to changes in the credit risk be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to the financial liability's credit risk are not subsequently reclassified to profit or loss.

- In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Management anticipates that the application of FRS 109 in the future would result in changes to the accounting policies relating to the impairment provisions of financial assets and liabilities. Management intends to adopt FRS 109 when it becomes effective in 2018. Additional disclosures will also be made.

FRS 115 *Revenue from Contracts with Customers*

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective. Further clarifications to FRS 115 were also issued in June 2016.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

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

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

Management intends to adopt FRS 115 when it becomes effective in 2018. Management anticipates that the application of FRS 115 in the future may have an impact on the amounts reported and disclosures made in the company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of FRS 115 until management completes its assessment.

FINANCIAL INSTRUMENT - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Financial assets

Trade and other receivables

Trade and other receivables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables where the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade or other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through the profit or loss to the extent the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method except for short-term payables when the effect of discounting is immaterial.

Derecognition of financial liabilities

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

BASIS OF PREPARATION - The financial statements of the subsidiaries have not been consolidated with the company's financial statements as the company itself is a wholly-owned subsidiary of another company. Consolidated financial statements are prepared by ultimate holding company, Tata Steel Limited, incorporated in India, on a worldwide basis and such financial statements are publicly available.

The registered address of Tata Steel Limited is Bombay House, 24 Homi Mody Street, Mumbai 400001, India.

SUBSIDIARY - Control is achieved when the company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Investments in subsidiaries are stated at cost, less any impairment in net recoverable value.

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each reporting period, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

PROVISIONS - Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividend income

Dividend income is recognised when the shareholders' rights to receive payment have been established.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company are measured and presented in United States dollar, which is currency of the primary economic environment in which the company operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the company’s functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

During the current financial year, the company changed its functional currency and presentation currency from Hong Kong dollars to United States dollars. Refer to Note 15 to the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) Critical judgements in applying the company's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Functional currency

FRS 21 *The Effects of Changes in Foreign Exchange Rates* ("FRS 21") requires the company to determine its functional currency to prepare the financial statements. When determining its functional currency, the company considers the primary economic environment in which it operates i.e. the one in which it primarily generates and expends cash. The company also considers the funds generated from financing activities.

During the financial year ended March 31, 2017, the management has considered FRS 21 and assessed that the functional currency of the Company to be United States dollars with effect from April 1, 2016 as disclosed in Note 15.

ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments in subsidiaries

Investment in subsidiary is stated at cost less impairment loss. The company follows the guidance of FRS 36, *Impairment of Assets,* to determine when its investment in subsidiary is impaired. This determination requires significant judgement. In making this judgement, the company evaluates, among other factors, the market and economic environment in which the subsidiary operates, economic performance of the subsidiary, the duration and extent to which the cost of investment in the subsidiary exceeds its net tangible asset value and fair value of investment less cost to sell. During the financial year ended March 31, 2017, the company had considered and assessed the value of its investment and has reversed a provision of impairment loss in subsidiaries of US$343,000 (2016: made a provision for impairment loss in subsidiaries of US$670,793). The carrying amount of investment in subsidiaries at the end of the reporting period is disclosed in Note 7.

4 FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

	2017 US$	2016 US$
Financial assets		
Loans and receivables	7,055,856	-
Financial liabilities		
Amortised cost	2,045,205	-

(b) Financial risk management policies and objectives

The company has adopted risk management policies that seek to mitigate financial risks in a cost-effective manner. These risks include market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. Such policies are reviewed regularly by the management to ensure that they remain pertinent to the group's operations.

There has been no change to the company's exposure to these financial risks or the manner in which it manages and measures these risks during the year.

Details of the company's financial risk management objectives and policies are as follows:

i) Foreign exchange risk management

The company has investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. The company does not cover the currency translation exposure arising from such investments as they are deemed to be long term in nature.

The company is not exposed to foreign currency risks during the financial year as it transacts mainly in United States dollar and therefore foreign exchange risk exposure is minimal. Furthermore, all its expenses denominated in Singapore dollars are borne and paid directly by its subsidiary, Tata Steel International (Singapore) Pte Ltd.

ii) Interest rate risk management

The company is not exposed to interest rate risk as there are no interest-bearing assets and liabilities.

iii) Credit risk management

The company's credit risk is primarily attributable to its trade and other receivables. The amount presented in the statement of financial position is net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The company manages credit risks by dealing with creditworthy customers. The company's sales are concentrated on one customer and exposure to credit risk is managed by monitoring payments from the customer regularly. The company also has significant trade and other receivables from related companies. Management considers the credit risk relating to these receivables to be low.

Credit risk is managed by a credit evaluation process which includes assessment and evaluation of existing and potential customers' credit standing to determine credit terms. Payments are monitored for compliance with credit terms.

iv) Liquidity risk management

The company maintains sufficient liquidity to finance its activity. The company's operations are financed mainly through equity.

All financial liabilities in 2016 and 2017 are repayable on demand or due within 1 year from the end of the reporting period and are non-interest bearing.

v) Fair values of financial assets and financial liabilities

The carrying amounts of trade and other receivables, trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

vi) Capital management policies and objectives

The company reviews its capital structure at least annually to ensure that the company will be able to continue as a going concern. The capital structure of the company comprises only of issued capital and accumulated losses. The company's overall strategy remains unchanged from 2016.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The company is a wholly-owned subsidiary of T S Global Holdings Pte. Ltd. incorporated in Singapore. The company's ultimate holding company is Tata Steel Limited, incorporated in India. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Some of the company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Significant intercompany transactions:

	2017	2016
	US$	US$
Purchases of goods from related companies	2,015,540	-
Dividend income from subsidiary	(5,000,000)	-
Expenses incurred by a subsidiary on behalf of the company	66,125	60,647

Compensation of directors and key management personnel

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

6 TRADE AND OTHER RECEIVABLES

	2017	2016
	US$	US$
Trade receivables due from outside party	2,055,856	-
Other receivables due from related company (Note 5)	5,000,000	-
	7,055,856	-

The average credit period on sales of goods is 143 days (2016 : Nil). No interest is charged on outstanding receivables.

Before accepting any new customer, the company will assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are assessed periodically.

In determining the recoverability of a receivable, the company considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date. As at March 31, 2017, 100% of trade receivables are due from one customer. Credit risk is managed by monitoring payments from customers regularly. Accordingly, the management believes that there is no further credit provision required in excess of the allowance for doubtful debts.

As at March 31, 2017, no trade receivables which are past due at the reporting date. Management has considered the credit quality of trade receivables which are not past due and determined that no allowance for doubtful debts is necessary. The company does not hold any collateral over these balances.

7 SUBSIDIARIES

	2017	2016
	US$	US$ (Restated)
Unquoted equity shares, at cost	69,293,103	69,293,103
Less: Provision for impairment	(11,050,080)	(11,393,080)
Net carrying amount	58,243,023	57,900,023

During the year ended March 31, 2017, the company had considered and assessed the value of its investment and has reversed a provision of impairment loss in subsidiaries of US$343,000 in relation to its subsidiary, Tata Steel International (Singapore) Pte Ltd.

During the year ended March 31, 2016, management carried out an estimate of the recoverable amount of its subsidiary, Tata Steel International (Singapore) Pte Ltd at the end of the reporting period, as indicators of impairment existed. Based on the assessment performed, management had made a provision for impairment loss of US$670,793 for Tata Steel International (Singapore) Pte Ltd in 2016. No impairment is assessed to be necessary for the other subsidiaries.

Details of the company's subsidiaries at March 31, 2017 are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2017	2016	2017	2016	
		%	%	%	%	
Tata Steel International (Asia) Limited	Hong Kong	100	100	100	100	Sales and marketing of iron and steel products
Tata Steel International (Thailand) Limited [(a)]	Thailand	49	49	83	83	Provide marketing and supporting services to its related companies
TSIA Holdings (Thailand) Limited [(b)]	Thailand	100	100	91	91	Investment holding
Tata Steel International (Singapore) Pte Ltd	Singapore	100	100	100	100	Sales and marketing of iron and steel products
Held by Tata Steel International (Asia) Limited						
Tata Steel International (Shanghai) Ltd	China	100	100	100	100	Sales, purchasing and marketing services for iron and steel products
Held by TSIA Holdings (Thailand) Limited						
Tata Steel International (Thailand) Limited [(a)]	Thailand	51	51	17	17	Provide marketing and supporting services to its related companies

(a) The company holds the entire equity interest in the ordinary shares of Tata Steel International (Thailand) Limited, representing a voting right of 83%. The subsidiary, TSIA Holdings (Thailand) Limited holds more than 99.9% equity interest in the preference shares of Tata Steel International (Thailand) Limited, representing a voting right of 17%. The proportion of ownership interests and voting rights for this subsidiary are different as the shares of this subsidiary include preference shares with lower proportion of voting rights compared to the ordinary shares. The preference shares are entitled to a yearly cumulative dividend of 12% on the value of the preference shares.

(b) The company holds the entire equity interest in the ordinary shares of TSIA Holdings (Thailand) Limited, representing a voting right of 91%. The proportion of ownership interest and voting right for the subsidiary is different as the shares of the subsidiary include preference shares with lower proportion of voting rights compared to the ordinary shares. The preference shares are entitled to a yearly non-cumulative dividend of 3% on the value of the preference shares.

8 TRADE AND OTHER PAYABLES

	2017	2016
	US$	US$
Trade payables due to related companies (Note 5)	2,015,540	-
Other payables	29,665	-
	2,045,205	-

The average credit period on purchases of goods is 60 days (2016 : Nil). No interest is charged on outstanding balances.

9 SHARE CAPITAL

	2017	2016	2017	2016
	Number of ordinary shares		US$	US$
Issued and paid up:				
At beginning and end of the year	96,000,000	96,000,000	69,293,103	69,293,103

As at March 31, 2017 and 2016, an outstanding amount of US$1,324,072 remains unpaid. Accordingly, the share capital at the end of the financial years ended March 31, 2017 and March 31, 2016 represents the capital contributions from its immediate holding company which have been paid.

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

10 REVENUE

	2017	2016
	US$	US$
Sales of goods	2,055,856	-

11 OTHER OPERATING INCOME

	2017	2016
	US$	US$
Dividend income from subsidiary (Note 5)	5,000,000	-
Reversal of impairment loss in subsidiaries	343,000	-
	5,343,000	-

12 OTHER OPERATING EXPENSES

	2017	2016
	US$	US$
Impairment loss in subsidiaries	-	670,793

13 INCOME TAX EXPENSE

	2017	2016
	US$	US$
Income tax expense	481	-

Domestic income tax is calculated at 17% (2016 : 17%) at the estimated assessable profit (loss) for the year. The total charge for the year can be reconciled to the accounting profit (loss) as follows:

	2017	2016
	US$	US$
Profit (Loss) before income tax	5,353,651	(670,793)
Tax expense (benefit) calculated at 17% (2016 : 17%)	910,121	(114,035)
Effect of revenue that is exempt from taxation	(908,310)	-
Effect of tax concessions	(1,330)	-
Effect of items that are not deductible in determining taxable profit	-	114,035
Income tax expense	481	-

14 PROFIT (LOSS) FOR THE YEAR

The company did not have any staff in its employment and no staff cost were incurred.

15 CHANGE IN FUNCTIONAL CURRENCY

Prior to April 1, 2016, management considered the Hong Kong dollars to be the appropriate functional currency as the functional currency of its main subsidiary, Tata Steel International (Asia) Limited is in Hong Kong dollars and it is expected to derive future dividends denominated in Hong Kong dollars from this subsidiary.

During the financial year ended March 31, 2017, the company changed its principal activities to include trading of metal products as part of an internal group restructuring of trading / operating activities between the related companies. The sales and purchases made in relation this principal activity are denominated in United States dollars. Accordingly, due to the above change in underlying transactions, events and conditions during the year, the management has re-assessed and determined that the functional currency is United States dollars.

In accordance with FRS 21 *The Effects of Changes in Foreign Exchange Rates*, management has applied the translation procedures applicable to the new functional currency prospectively from April 1, 2016, which is the date of the change.

The change in presentation currency for the March 31, 2016 comparative figures is considered a change of accounting policy and as such, is to be applied retrospectively in accordance with FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The comparative figures for the financial period ended March 31, 2016 which were previously measured and presented in Hong Kong dollars, have been translated to United States dollars for presentation of comparatives. For this purpose:

(a) assets and liabilities are translated at rates of exchange prevailing at the end of each reporting period;

(b) profit and loss items are translated at exchange rates at the date of transactions or average rates of exchange for the respective financial years; and

(c) shareholders equity are translated at the rates of exchange approximating those ruling at transaction dates.

Transactions in currencies other than the company’s functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences, if any, arising from retranslation of comparative figures for the financial period ended March 31, 2016 are recorded as translation reserve and brought forward to subsequent years.

The effects of the change in functional currency on the presentation of financial statements of the company for the financial year ended March 31, 2016 are as follows:

	As reported in the financial statements for the financial year ended March 31, 2016	Amount in US$ as re-measured in the comparative figures
	HK$	US$
Statement of financial position:		
Total assets	453,059,943	57,900,023
Share capital	541,379,310	69,293,103
Accumulated losses	(88,319,367)	(11,393,080)
Net equity	453,059,943	57,900,023
Statement of profit or loss and other comprehensive income:		
Loss before income tax	(5,200,000)	(670,793)
Loss for the year	(5,200,000)	(670,793)

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

C O N T E N T S

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Time: 9.30 am

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.
(Registration No. 200801936W)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED MARCH 31, 2017

Deloitte.

TATA STEEL INTERNATIONAL (SINGAPORE) HOLDINGS PTE. LTD.
(Registration No. 200801936W)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED MARCH 31, 2017

Prepared on

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DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED MARCH 31, 2017