

Thai Carbon Black Public Company Limited
and its Subsidiary

Financial statements for the year ended

31 March 2018

and

Independent Auditor's Report

Independent Auditor’s Report

To the Shareholders of Thai Carbon Black Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Thai Carbon Black Public Company Limited and its subsidiary (the “Group”) and of Thai Carbon Black Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 March 2018, and the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 March 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

<i>Valuation of long-term loan to related party</i>	
Refer to Note 3 and 4	
The key audit matter	How the matter was addressed in the audit
<p>The Group and the Company provided a long-term loan to an overseas associate, which is unsecured with interest rate at LIBOR+3.5% per annum and will be repayable in full in July 2021.</p> <p>As the long-term loan balance and the accrued interest are material and involved judgment in estimating the recoverability, I considered this to be the key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none">• read the loan agreements, obtained confirmation, and tested the accrued interest to assess whether the calculation was consistent with the conditions stipulated in the long-term loan agreement;• made inquiries of management and obtained related documents to understand the process by which management has derived the estimated future cash flows of associate;• evaluated the assumptions and methodologies underpinning the estimated cash flows;• performed retrospective review by comparing estimated cash flows prepared by management in the previous year against the actual financial performance;• performed sensitivity analysis on growth rate and discount rate;• considered the adequacy of the Group's and the Company's disclosure in accordance with Thai Financial Reporting Standards.

<i>Valuation of inventory</i>	
Refer to Note 3 and 8	
The key audit matter	How the matter was addressed in the audit
<p>The Group's and the Company's main raw materials are commodities which can be subject to price volatility.</p> <p>The inventory balance, which is material, is required to be carried at the lower of cost or net realisable value. The estimate of net realisable value of inventories involves management judgment and is subject to the fluctuation of the raw material price. I therefore considered this to be the key audit mater.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • made inquiries of management and obtained related documents to understand the inventory valuation process as well as the Group's and the Company's policy in estimating the net realisable value of inventories; • made inquiries of management to understand the pricing policy of the Group and the Company and assessed whether the selling price is in accordance with the policy. • tested the design and implementation of key controls as well as their operating effectiveness; • tested the estimate of net realisable value of inventories by testing the latest selling price less the estimated costs necessary to make the sale, on a sampling basis, with related documents as well as tested the calculation; • considered the adequacy of the Group's and the Company's disclosure in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 my 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.
- 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Orawan Chuhakitpaisan)
Certified Public Accountant
Registration No. 6105

KPMG Phoomchai Audit Ltd.
Bangkok
28 May 2018

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March		31 March	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5	381,347,746	495,380,741	381,184,884	495,347,686
Short-term deposits at financial institutions	6	645,700,000	2,633,000,000	645,700,000	2,633,000,000
Trade accounts receivable	4, 7	1,168,632,687	892,643,297	1,168,632,687	892,643,297
Other receivables	4	13,538,455	31,988,824	13,538,455	31,988,824
Inventories	8	1,102,320,914	766,859,628	1,102,320,914	766,859,628
Other current assets		47,501,260	158,586,787	47,371,032	158,485,197
Total current assets		3,359,041,062	4,978,459,277	3,358,747,972	4,978,324,632
Non-current assets					
Investments in associates	9	4,599,194,732	3,669,641,432	770,364,083	770,364,083
Investments in subsidiary	10	-	-	-	12,853,530
Other long-term investments	11	1,596,481,061	1,580,604,161	1,596,481,061	1,580,604,161
Long-term loan to related party	4	5,371,080,519	5,911,494,959	5,371,080,519	5,928,832,325
Long-term interest receivables	4	1,701,256,467	1,506,100,375	1,701,256,467	1,506,100,375
Property, plant and equipment	12	1,318,808,355	1,416,053,908	1,318,808,355	1,416,053,908
Intangible assets		15,808,683	20,672,893	15,808,683	20,672,893
Deferred tax assets	13	83,503,179	82,552,056	86,073,885	82,552,056
Other non-current assets		2,472,769	2,834,569	2,472,769	2,834,569
Total non-current assets		14,688,605,765	14,189,954,353	10,862,345,822	11,320,867,900
Total assets		18,047,646,827	19,168,413,630	14,221,093,794	16,299,192,532

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March		31 March	
Liabilities and equity		2018	2017	2018	2017
		<i>(in Baht)</i>			
Current liabilities					
Trade accounts payable	4, 14	1,175,160,835	685,511,913	1,175,160,835	685,511,913
Other payables	4, 15	362,227,117	195,276,027	362,104,880	195,276,027
Current portion of long-term borrowing					
from financial institutions	16	-	160,652,794	-	160,652,794
Current tax payable		73,215,186	112,337,319	73,215,186	112,337,319
Derivatives liabilities		273,457	107,887,911	273,457	107,887,911
Total current liabilities		1,610,876,595	1,261,665,964	1,610,754,358	1,261,665,964
Non-current liabilities					
Long-term borrowing from					
financial institutions	16	-	3,460,527,697	-	3,460,527,697
Non-current provisions for					
employee benefits	17	98,515,093	93,014,623	98,515,093	93,014,623
Total non-current liabilities		98,515,093	3,553,542,320	98,515,093	3,553,542,320
Total liabilities		1,709,391,688	4,815,208,284	1,709,269,451	4,815,208,284
Equity					
Share capital:					
Authorised share capital	18	300,000,000	300,000,000	300,000,000	300,000,000
Issued and paid-up share capital		300,000,000	300,000,000	300,000,000	300,000,000
Share premium:					
Share premium on ordinary shares	18	930,000,000	930,000,000	930,000,000	930,000,000
Retained earnings					
Appropriated					
Legal reserve	19	30,000,000	30,000,000	30,000,000	30,000,000
Unappropriated		16,427,714,917	14,392,256,887	11,251,824,343	10,223,984,248
Other components of equity	19	(1,349,459,778)	(1,299,051,541)	-	-
Total equity		16,338,255,139	14,353,205,346	12,511,824,343	11,483,984,248
Total liabilities and equity		18,047,646,827	19,168,413,630	14,221,093,794	16,299,192,532

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2018	2017	2018	2017
<i>(in Baht)</i>					
Revenue					
Revenue from sales	20, 24	7,323,611,452	5,040,101,863	7,323,611,452	5,040,101,863
Dividend income	4, 9, 11	48,576,503	17,079,754	76,278,608	44,931,034
Interest income	4	392,973,077	363,674,777	392,973,077	363,674,777
Net foreign exchange gain		-	37,157,195	-	37,157,195
Other income		4,100,925	8,809,904	3,815,687	8,809,904
Total revenue		7,769,261,957	5,466,823,493	7,796,678,824	5,494,674,773
Expenses					
Cost of sales of goods	4, 22	5,088,242,823	3,552,540,767	5,088,242,823	3,552,540,767
Distribution costs	4, 22	148,552,121	140,979,588	148,552,121	140,979,588
Administrative expenses	4, 22	393,464,349	284,618,733	406,086,757	284,573,853
Net foreign exchange loss		455,058,315	-	455,051,218	-
Finance costs		206,433,715	136,588,520	206,433,715	136,588,520
Total expenses		6,291,751,323	4,114,727,608	6,304,366,634	4,114,682,728
Share of profit of associates					
Associates	4, 9	1,027,491,447	1,135,764,862	-	-
Total		1,027,491,447	1,135,764,862	-	-
Profit before income tax expense		2,505,002,081	2,487,860,747	1,492,312,190	1,379,992,045
Tax expense	23	223,182,489	195,201,094	220,611,783	195,201,094
Profit for the year		2,281,819,592	2,292,659,653	1,271,700,407	1,184,790,951
Basic earnings per share (in Baht)	25	7.61	7.64	4.24	3.95

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of comprehensive income

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 March		Year ended 31 March	
	2018	2017	2018	2017
	(in Baht)			
Profit for the year	2,281,819,592	2,292,659,653	1,271,700,407	1,184,790,951
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating financial statements	(52,132,612)	58,456,908	-	-
Share of other comprehensive income of associates	9 1,724,375	497,241	-	-
Total items that will be reclassified subsequently to profit or loss	(50,408,237)	58,954,149	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Share of other comprehensive income of associates	9 (2,501,250)	-	-	-
Loss on remeasurements of defined benefit plans	17 (4,825,390)	-	(4,825,390)	-
Income tax relating to items that will not be reclassified to profit or loss	13 965,078	-	965,078	-
Total items that will not be reclassified subsequently to profit or loss	(6,361,562)	-	(3,860,312)	-
Other comprehensive income (expense) for the year, net of tax	(56,769,799)	58,954,149	(3,860,312)	-
Total comprehensive income for the year	2,225,049,793	2,351,613,802	1,267,840,095	1,184,790,951

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of changes in equity

Consolidated financial statements

	Note	Retained earnings			Other components of equity				Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translating foreign operations	Share of other comprehensive income of associates	Total other components of equity	
<i>(in Baht)</i>									
Year ended 31 March 2017									
Balance at 1 April 2016		300,000,000	930,000,000	30,000,000	12,279,597,234	(1,358,005,690)	-	(1,358,005,690)	12,181,591,544
Transaction with owners, recorded directly in equity									
Dividends to owners of the Company	26	-	-	-	(180,000,000)	-	-	-	(180,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	(180,000,000)	-	-	-	(180,000,000)
Comprehensive income for the year									
Profit		-	-	-	2,292,659,653	-	-	-	2,292,659,653
Other comprehensive income		-	-	-	-	58,456,908	497,241	58,954,149	58,954,149
Total comprehensive income for the year		-	-	-	2,292,659,653	58,456,908	497,241	58,954,149	2,351,613,802
Balance as at 31 March 2017		300,000,000	930,000,000	30,000,000	14,392,256,887	(1,299,548,782)	497,241	(1,299,051,541)	14,353,205,346

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of changes in equity

Consolidated financial statements

	Note	Retained earnings			Other components of equity				Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translating foreign operations	Share of other comprehensive income of associates	Total other components of equity	
<i>(in Baht)</i>									
Year ended 31 March 2018									
Balance at 1 April 2017		300,000,000	930,000,000	30,000,000	14,392,256,887	(1,299,548,782)	497,241	(1,299,051,541)	14,353,205,346
Transaction with owners, recorded directly in equity									
Dividends to owners of the Company	26	-	-	-	(240,000,000)	-	-	-	(240,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	(240,000,000)	-	-	-	(240,000,000)
Comprehensive income for the year									
Profit		-	-	-	2,281,819,592	-	-	-	2,281,819,592
Other comprehensive income		-	-	-	(6,361,562)	(52,132,612)	1,724,375	(50,408,237)	(56,769,799)
Total comprehensive income for the year		-	-	-	2,275,458,030	(52,132,612)	1,724,375	(50,408,237)	2,225,049,793
Balance as at 31 March 2018		300,000,000	930,000,000	30,000,000	16,427,714,917	(1,351,681,394)	2,221,616	(1,349,459,778)	16,338,255,139

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Separate financial statements		Total equity
				Legal reserve (in Baht)	Unappropriated	
Year ended 31 March 2017						
Balance at 1 April 2016		300,000,000	930,000,000	30,000,000	9,219,193,297	10,479,193,297
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	26	-	-	-	(180,000,000)	(180,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	(180,000,000)	(180,000,000)
Comprehensive income for the year						
Profit		-	-	-	1,184,790,951	1,184,790,951
Total comprehensive income for the year		-	-	-	1,184,790,951	1,184,790,951
Balance at 31 March 2017		300,000,000	930,000,000	30,000,000	10,223,984,248	11,483,984,248

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Separate financial statements		Total equity
				Legal reserve (in Baht)	Retained earnings Unappropriated	
Year ended 31 March 2018						
Balance at 1 April 2017		300,000,000	930,000,000	30,000,000	10,223,984,248	11,483,984,248
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	26	-	-	-	(240,000,000)	(240,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	(240,000,000)	(240,000,000)
Comprehensive income for the year						
Profit		-	-	-	1,271,700,407	1,271,700,407
Other comprehensive income		-	-	-	(3,860,312)	(3,860,312)
Total comprehensive income for the year		-	-	-	1,267,840,095	1,267,840,095
Balance at 31 March 2018		300,000,000	930,000,000	30,000,000	11,251,824,343	12,511,824,343

(1) To comply with the requirements of Foreign Business Act license, an amount of Baht 510 million is required to be maintained as a minimum amount of unappropriated retained earnings.

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 March		Year ended 31 March	
		2018	2017	2018	2017
<i>(in Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the year		2,281,819,592	2,292,659,653	1,271,700,407	1,184,790,951
<i>Adjustments for reconcile profit to cash receipts</i>					
Depreciation and amortisation		190,013,666	192,982,789	190,013,666	192,982,789
Losses on inventories devaluation	8	14,581,391	15,587,812	14,581,391	15,587,812
Dividend income	9, 11	(48,576,503)	(17,079,754)	(76,278,608)	(44,931,034)
Interest income		(392,973,077)	(363,674,777)	(392,973,077)	(363,674,777)
Finance costs		112,508,031	106,036,830	112,508,031	106,036,830
Amortisation of deferred transaction costs	16	93,925,684	30,551,690	93,925,684	30,551,690
Unrealised loss on exchange rate		363,145,750	85,798,965	363,156,562	85,819,171
Unrealised gain on derivatives		(107,614,454)	(306,566,544)	(107,614,454)	(306,566,544)
Gain on disposal of property, plant and equipment		(886,931)	(509,346)	(886,931)	(509,346)
Impairment loss on investment in subsidiary	10	-	-	12,853,530	-
Share of profit of associates, net of income tax	4, 9	(1,027,491,447)	(1,135,764,862)	-	-
Provisions for employee benefits	17	12,071,312	9,988,561	12,071,312	9,988,561
Tax expense	23	223,182,489	195,201,094	220,611,783	195,201,094
		<u>1,713,705,503</u>	<u>1,105,212,111</u>	<u>1,713,669,296</u>	<u>1,105,277,197</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(278,284,812)	(105,030,912)	(278,284,812)	(105,030,912)
Other receivables		18,450,369	(8,624,918)	18,450,369	(8,624,918)
Inventories		(350,042,677)	(208,555,729)	(350,042,677)	(208,555,729)
Other current assets		100,946,755	(25,111,625)	100,975,393	(25,114,892)
Other non-current assets		361,800	697,000	361,800	697,000
Trade accounts payable		507,487,536	506,360,607	507,487,536	506,360,607
Other payables		<u>157,770,118</u>	<u>(93,184,495)</u>	<u>157,647,880</u>	<u>(93,184,495)</u>
Net cash generated from operating		1,870,394,592	1,171,762,039	1,870,264,785	1,171,823,858
Employee benefit paid	17	(11,396,232)	(10,136,130)	(11,396,232)	(10,136,130)
Tax paid		<u>(262,290,667)</u>	<u>(55,885,814)</u>	<u>(262,290,667)</u>	<u>(55,885,814)</u>
Net cash from operating activities		<u>1,596,707,693</u>	<u>1,105,740,095</u>	<u>1,596,577,886</u>	<u>1,105,801,914</u>

The accompanying notes are an integral part of these financial statements.

Thai Carbon Black Public Company Limited and its Subsidiary

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 March		Year ended 31 March	
	2018	2017	2018	2017
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Increase (decrease) in short-term deposits				
at financial institutions	1,987,300,000	(2,633,000,000)	1,987,300,000	(2,633,000,000)
Interest received	48,385,304	28,597,118	48,385,304	28,597,118
Dividend received	9, 11 76,278,608	84,385,796	76,278,608	84,385,796
Acquisition of property, plant and equipment	(77,260,431)	(91,351,113)	(77,260,431)	(91,351,113)
Proceeds from sale of property, plant and equipment	1,353,255	2,443,916	1,353,255	2,443,916
Acquisition of other long-term investments	11 (15,876,900)	-	(15,876,900)	-
Net cash from (used in) investing activities	2,020,179,836	(2,608,924,283)	2,020,179,836	(2,608,924,283)
<i>Cash flows from financing activities</i>				
Interest paid	(115,500,406)	(105,675,608)	(115,500,406)	(105,675,608)
Dividends paid	15, 26 (238,936,448)	(179,608,461)	(238,936,448)	(179,608,461)
Repayment of borrowings	16 (3,376,483,670)	(98,656,250)	(3,376,483,670)	(98,656,250)
Net cash used in financing activities	(3,730,920,524)	(383,940,319)	(3,730,920,524)	(383,940,319)
Net decrease in cash and cash equivalents	(114,032,995)	(1,887,124,507)	(114,162,802)	(1,887,062,688)
Cash and cash equivalents at 1 April	495,380,741	2,382,505,248	495,347,686	2,382,410,374
Cash and cash equivalents at 31 March	381,347,746	495,380,741	381,184,884	495,347,686
<i>Non-cash transactions</i>				
Payables for purchases of machinery and equipment	56,713,381	45,603,584	56,713,381	45,603,584
Dividend payables	6,419,586	5,356,034	6,419,586	5,356,034

The accompanying notes are an integral part of these financial statements.

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These notes form an integral part of the financial statements.

The financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 28 May 2018.

1 General information

Thai Carbon Black Public Company Limited, “the Company”, is incorporated in Thailand and has its registered office and factory as follow:

Head office : 888/122 and 128, Mahatun Plaza Building, 16th Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok, 10330.

Factory : 44 Moo 1, Ayuthaya-Angthong Highway, Posa, Muang, Angthong, 14000.

The Company was listed on the Stock Exchange of Thailand in 1990.

The major shareholders of the Company during the financial year were SKI Carbon Black (Mauritius) Limited (32.24%), Thai Rayon Public Company Limited (24.98%), and Asian Opps I Limited (15.99%).

The principal activities of the Group are the manufacture and sale of carbon black. Details of the Company’s subsidiary and associates as at 31 March 2018 and 2017 are given in notes 9 and 10.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2017. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

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In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2018 and have not been adopted in the preparation of these financial statements. And the FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Management is presently considering the potential impact of adopting and initially applying new and revised TFRS on the consolidated and separate financial statements.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

<i>Items</i>	<i>Measurement bases</i>
Derivative financial instruments	Fair value
Defined benefit liability	Present value of the defined benefit obligation as explained in Note 3 (m)

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(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 17 Measurement of defined benefit obligations: key actuarial assumptions

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

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The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entirety measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 27 Financial instruments

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”) and the Group’s interests in associates.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Associates

Associates are the entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of associates, until the date on which significant influence ceases. When the Group’s share of losses exceeds its interest in associates, the Group’s carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associates.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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(b) *Foreign currencies*

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates ruling at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) *Derivative financial instruments*

Derivative financial instruments are used to manage exposure to foreign exchange, interest rate arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of interest rate swaps and forward exchange contracts are based on broker quotes at the reporting date.

(d) *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(e) *Trade and other accounts receivable*

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

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

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(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

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

(g) Investments

Investments in subsidiary and associates

Investments in subsidiary and associates in the separate financial statements of the Company are accounted for using the cost method. Investment in associates in the consolidated financial statements is accounted for using the equity method.

Investments in equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.

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 profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

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(h) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

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

Buildings and constructions	25 years
Machinery and equipment	5 - 25 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

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

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	5 years
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Thai Carbon Black Public Company Limited and its Subsidiary
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Impairment

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

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

Calculation of recoverable amount

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

Reversals of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

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(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(o) Revenue

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

Sales of goods

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

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Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest and other income

Interest and other income are recognised in profit or loss as they accrue.

(p) Finance costs

Finance costs are recognised using the effective interest method and comprise interest expense on borrowings and unwinding of the discount on provisions.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(q) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

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At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(r) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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In determining the amount of current tax and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(t) *Segment reporting*

Segment results that are reported to the Group's Managing Director (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiary and associates are described in note 9 and 10. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
SKI Carbon Black (Mauritius) Limited	Mauritius	Major shareholder of the Company, 10% or more shareholding
Thai Rayon Public Company Limited	Thailand	Major shareholder of the Company, 10% or more shareholding
Asian Opps I Limited	Hong Kong	Major shareholder of the Company, 10% or more shareholding
Thai Acrylic Fiber Co., Ltd.	Thailand	The Company has 10% or more shareholding, common directors.
Alexandria Fiber Co., S.A.E.	Egypt	The Company has 10% or more shareholding, common directors.
SKI Carbon Black (India) Pvt. Ltd.	India	Same ultimate parent company
Columbian Chemicals Company	U.S.A	Same ultimate parent company
Alexandria Carbon Black Company S.A.E.	Egypt	Same ultimate parent company
Aditya Birla Sciences Co., Ltd.	India	Same ultimate parent company
Columbian Chemicals Europa GmbH	German	Same ultimate parent company
Columbian Chemicals Korea Co., Ltd.	South Korea	Same ultimate parent company
Birla Carbon Brazil Ltda.	Brazil	Same ultimate parent company
Columbian International Chemicals Corporation	Georgia	Same ultimate parent company

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Columbian Carbon Europa S.R.L.	Italy	Same ultimate parent company
Swiss Singapore Overseas Enterprise Pte. Ltd.	Singapore	Same ultimate parent company
Aditya Birla Management Corporation Pvt. Ltd.	India	Same ultimate parent company
Columbian Carbon Spain S.L.	Spain	Same ultimate parent company
Key management personnel	Indian/Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Purchase of goods	With reference to market price
Interest income	LIBOR+3.5% per annum
Dividend	According to the declaration
Cost reduction from sales of electricity and stream generated from manufacturing process	With reference to market price
Expenses charged to/by related parties	Actual price
Royalty expense	3% of net sale less actual cost of feedstock and selling expenses
Rental expenses	By mutual agreement

Significant transactions for the year ended 31 March with related parties were as follows:

Year ended 31 March	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associates				
Interest income	354,727	321,841	354,727	321,841
Dividend income	-	-	27,702	27,851
Purchase of goods	107	44	107	44

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	Consolidated		Separate	
	financial statements		financial statements	
<i>Year ended 31 March</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	<u>39,186</u>	<u>34,497</u>	<u>39,186</u>	<u>34,497</u>
Total key management personnel compensation	<u>39,186</u>	<u>34,497</u>	<u>39,186</u>	<u>34,497</u>
Directors' remuneration	<u>3,337</u>	<u>3,567</u>	<u>3,337</u>	<u>3,567</u>
Other related parties				
Dividend income	11,387	17,080	11,387	17,080
Cost reduction from sales of electricity and steam generated from manufacturing process	325,945	275,949	325,945	275,949
Expenses charged to related parties	67,235	97,009	67,235	97,009
Purchase of goods	1,715,033	142,715	1,715,033	142,715
Expenses charged by related parties	93,808	87,479	93,808	87,479
Royalty expense	70,966	-	70,966	-
Rental expenses	3,240	3,240	3,240	3,240

Significant agreements with related parties

As at 31 March 2018, the Group had the following significant agreements with related parties.

Intercompany services agreement

In April 2016, the Company entered into an intercompany services agreement with a related party, in which such related party agreed to provide certain management services including but not limited to executive support, finance, operation, human resources, sales and marketing, general administrative and project services support. Service fees will be mutually agreed.

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Royalty agreement

In April 2017, the Company entered into a royalty agreement with Columbian International Chemicals Corporation, a related party, whereby Columbian International Chemicals Corporation agrees to support the Company with research and development program for new carbon black grades and improved carbon black production process by allowing the Company to use technical information and patent rights. The Company has agreed to pay royalty fee at the rate of 3% of net sale deducted by shipping costs. The term of this agreement is for 1 year being effective on the agreement date.

Balances as at 31 March with related parties were as follows:

<i>Trade accounts receivable – related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other related party	<u>56,783</u>	<u>46,645</u>	<u>56,783</u>	<u>46,645</u>
Total	<u>56,783</u>	<u>46,645</u>	<u>56,783</u>	<u>46,645</u>

<i>Other receivables – related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other related parties	<u>2,092</u>	<u>18,143</u>	<u>2,092</u>	<u>18,143</u>
Total	<u>2,092</u>	<u>18,143</u>	<u>2,092</u>	<u>18,143</u>

<i>Interest receivables – related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associate	<u>1,701,256</u>	<u>1,506,100</u>	<u>1,701,256</u>	<u>1,506,100</u>
Total	<u>1,701,256</u>	<u>1,506,100</u>	<u>1,701,256</u>	<u>1,506,100</u>

<i>Long-term loan to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associate	<u>5,371,081</u>	<u>5,911,495</u>	<u>5,371,081</u>	<u>5,928,832</u>
Total	<u>5,371,081</u>	<u>5,911,495</u>	<u>5,371,081</u>	<u>5,928,832</u>

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Movements during the year ended 31 March of long-term loan to related party were as follows:

<i>Long-term loan to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Associate</i>				
At 1 April of the preceding year	5,911,495	5,153,827	5,928,832	6,065,197
Unrealised loss on exchange rate	(557,751)	(136,365)	(557,751)	(136,365)
Share of net profit of an associate	17,337	804,929	-	-
Share of other comprehensive income of an associate	-	89,104	-	-
At 31 March	<u>5,371,081</u>	<u>5,911,495</u>	<u>5,371,081</u>	<u>5,928,832</u>

Loan agreement

In 2011, the Company entered into a loan agreement with an associate in which the Company has lent a loan for an amount of USD 173 million, with an interest rate at LIBOR+3.5% per annum. This loan was scheduled to be repaid in July 2016. On 5 July 2016, the Company entered into an amendment agreement to extend the repayment date to July 2021 without changing any other conditions. The interest shall be compounded at the end of the respective interest period and payable along with the final repayment of the loan.

<i>Trade accounts payable – related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other related parties	<u>834,947</u>	<u>93,716</u>	<u>834,947</u>	<u>93,716</u>
Total	<u>834,947</u>	<u>93,716</u>	<u>834,947</u>	<u>93,716</u>

<i>Other payables – related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other related parties	<u>144,718</u>	<u>17,277</u>	<u>144,718</u>	<u>17,277</u>
Total	<u>144,718</u>	<u>17,277</u>	<u>144,718</u>	<u>17,277</u>

Thai Carbon Black Public Company Limited and its Subsidiary
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5 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cash on hand	482	368	482	368
Cash at banks – current accounts	115,966	55,715	115,803	55,682
Cash at banks – savings accounts	264,900	139,278	264,900	139,278
Fixed deposit	-	300,020	-	300,020
Total	381,348	495,381	381,185	495,348

6 Short-term deposits at financial institutions

As at 31 March 2018, the Company had short-term deposits at an overseas financial institution, amounting to Baht 646 million (*31 March 2017: Baht 2,633 million*), which was bearing interest at the rate of 2.41% per annum (*31 March 2017: 1.60 – 1.85% per annum*) and matured in December 2018.

7 Trade accounts receivable

	<i>Note</i>	Consolidated and separate	
		financial statements	
		2018	2017
		<i>(in thousand Baht)</i>	
Related party	4	56,783	46,645
Other parties		1,111,850	845,998
Total		1,168,633	892,643
<i>Less allowance for doubtful accounts</i>		-	-
Net		1,168,633	892,643
Bad and doubtful debts expense for the year		-	-

Thai Carbon Black Public Company Limited and its Subsidiary
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Aging analyses for trade accounts receivable were as follows:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Related party		
Within credit terms	56,783	46,645
	56,783	46,645
<i>Less allowance for doubtful accounts</i>	-	-
	56,783	46,645
 Other parties		
Within credit terms	1,056,886	764,320
Overdue:		
Less than 3 months	54,964	81,678
	1,111,850	845,998
<i>Less allowance for doubtful accounts</i>	-	-
	1,111,850	845,998
 Net	1,168,633	892,643

The normal credit term granted by the Group ranges from 15 days to 120 days.

Thai Carbon Black Public Company Limited and its Subsidiary
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8 Inventories

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Finished goods	413,934	279,733
Raw materials	539,064	301,351
Factory supplies and spare parts	142,148	149,812
Goods in transit	49,343	63,551
	<u>1,144,489</u>	<u>794,447</u>
<i>Less</i> allowance for decline in value	<u>(42,168)</u>	<u>(27,587)</u>
Net	<u>1,102,321</u>	<u>766,860</u>
Inventories recognised as an expense in ‘cost of sales of goods’:		
- Cost	5,073,662	3,536,953
- Write-down to net realisable value	14,581	15,588
Total	<u>5,088,243</u>	<u>3,552,541</u>

9 Investments in associates

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associates				
At 1 April of the preceding year	3,669,641	3,396,785	770,364	770,364
Share of net profits of associates	1,010,154	330,836	-	-
Share of other comprehensive income, net of tax	(777)	497	-	-
Dividend income	(27,702)	(27,851)	-	-
Currency translation differences	(52,121)	(30,626)	-	-
At 31 March	<u>4,599,195</u>	<u>3,669,641</u>	<u>770,364</u>	<u>770,364</u>

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During the year ended 31 March 2018, there were no acquisitions and disposals of investments in associates.

Investments in equity-accounted investees as at 31 March 2018 and 2017, and dividend income from those investments for the years then ended, were as follows:

Consolidated financial statements												
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
			2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			(%)						(in thousand Baht)			
Associates												
P.T. Indo Liberty Textiles	Textiles manufacturing	Indonesia	40.00	40.00	515,664	515,664	196,948	196,948	300,763	377,421	2,211	2,360
Aditya Birla Chemicals (Thailand) Limited	Chemical manufacturing	Thailand	29.99	29.99	1,700,000	1,700,000	509,820	509,820	3,737,457	3,292,220	25,491	25,491
Indigold Carbon (Mauritius) Limited	Investment holding	Mauritius	20.59	20.59	308,870	308,870	<u>63,596</u>	<u>63,596</u>	<u>560,975</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total							<u>770,364</u>	<u>770,364</u>	<u>4,599,195</u>	<u>3,669,641</u>	<u>27,702</u>	<u>27,851</u>

None of the Group's associates are publicly listed and consequently do not have published price quotations.

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As at 31 March 2018, investment in Indigold Carbon (Mauritius) Limited (“Indigold”) includes a long-term loan for a notional amount of USD 173 million, equivalent to Baht 5,371 million (*31 March 2017: USD 173 million, equivalent to Baht 5,929 million*), and interest receivables of USD 55 million, equivalent to Baht 1,701 million (*31 March 2017: USD 44 million, equivalent to Baht 1,506 million*).

For the year ended 31 March 2018, the Group’s share in total comprehensive income of Indigold amounted to a gain of Baht 578 million (*31 March 2017: a gain of Baht 894 million*). Starting from the quarter that ended 30 September 2014, the Group’s share in accumulated total comprehensive loss of Indigold exceeded the carrying amount of the investment in shares. Since that quarter, the excess loss is adjusted to the loan investment in Indigold. Future reversals of losses are firstly be applied to the loan investment to the extent that such loss is previously applied against this loan investment and subsequently recognised in the investment in shares. In the separate financial statements of the Company, the investment in Indigold, in equity interest and loan receivable, is carried at cost.

During the year ended 31 March 2018, the excess loss previously adjusted to the loan investment in Indigold is fully reversed due to gain position in share of total cumulative comprehensive income. Therefore, the share of profits in amount of Baht 561 million is recognised in the investment in shares of Indigold.

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	Ownership		Separate financial statements								Dividend	
	interest		Paid-up capital		Cost		Impairment		At cost - net		income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(<i>%</i>)		(<i>in thousand Baht</i>)									
Associates												
P.T. Indo Liberty Textiles	40.00	40.00	515,664	515,664	196,948	196,948	-	-	196,948	196,948	2,211	2,360
Aditya Birla Chemicals (Thailand) Limited	29.99	29.99	1,700,000	1,700,000	509,820	509,820	-	-	509,820	509,820	25,491	25,491
Indigold Carbon (Mauritius) Limited	20.59	20.59	308,870	308,870	<u>63,596</u>	<u>63,596</u>	<u>-</u>	<u>-</u>	<u>63,596</u>	<u>63,596</u>	<u>-</u>	<u>-</u>
Total					<u>770,364</u>	<u>770,364</u>	<u>-</u>	<u>-</u>	<u>770,364</u>	<u>770,364</u>	<u>27,702</u>	<u>27,851</u>

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The following table summaries the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in these companies.

	P.T. Indo Liberty Textiles		Aditya Birla Chemicals (Thailand) Limited		Indigold Carbon (Mauritius) Limited		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>							
Revenue	4,117,924	4,290,481	17,107,561	15,620,834	34,102,200	26,635,317	55,327,685	46,546,632
Net profit (loss)	(107,136)	(41,097)	1,444,801	1,170,067	3,268,002	4,022,431	4,605,667	5,151,401
Other comprehensive income	3,317	(23,101)	65,560	(79,106)	(167,794)	432,747	(98,917)	330,540
Total comprehensive income	(103,819)	(64,198)	1,510,361	1,090,961	3,100,208	4,455,178	4,506,750	5,481,941
Attributable to NCI	-	-	(7,544)	2,646	291,503	113,105	283,959	115,751
Attributable to investee's shareholders	(103,819)	(64,198)	1,517,905	1,088,315	2,808,705	4,342,073	4,222,791	5,366,190
Current assets	1,092,603	1,316,630	7,726,248	10,237,293	15,624,020	18,856,534	24,442,871	30,410,457
Non-current assets	2,335,806	2,692,435	8,524,276	4,637,043	23,884,519	32,625,551	34,744,601	39,955,029
Current liabilities	(1,572,248)	(1,981,975)	(3,427,537)	(3,466,846)	(8,642,151)	(12,831,835)	(13,641,936)	(18,280,656)
Non-current liabilities	(1,102,415)	(1,080,722)	(315,544)	(315,847)	(26,895,889)	(37,779,960)	(28,313,848)	(39,176,529)
Net assets	753,746	946,368	12,507,443	11,091,643	3,970,499	870,290	17,231,688	12,908,301
Attributable to NCI	-	-	40,313	52,732	1,245,996	954,492	1,286,309	1,007,224
Attributable to investee's shareholders	753,746	946,368	12,467,130	11,038,911	2,724,503	(84,202)	15,945,379	11,901,077
Group interest in net asset of investee as of 1 April of the preceding year	377,421	405,460	3,292,220	2,991,325	-	-	3,669,641	3,396,785
Total comprehensive income attributable to the Group	(74,447)	(25,679)	470,728	326,386	560,975	-	957,256	300,707
Dividends received during the year	(2,211)	(2,360)	(25,491)	(25,491)	-	-	(27,702)	(27,851)
Group's interest in net assets of investee at end of year	300,763	377,421	3,737,457	3,292,220	560,975	-	4,599,195	3,669,641
Goodwill	-	-	-	-	-	-	-	-
Carrying amount of interest in investee at 31 March	300,763	377,421	3,737,457	3,292,220	560,975	-	4,599,195	3,669,641

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10 Investments in subsidiary

Investments in subsidiary as at 31 March 2018 and 2017 and dividend income from the subsidiary for the years then ended were as follows:

Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		<i>(%)</i>						<i>(in thousand Baht)</i>					
Direct subsidiary													
Birla Carbon Mexico, S.A. DE C.V.	Carbon manufacturing	98	98	12,854	12,854	12,854	12,854	(12,854)	-	-	12,854	-	-
Total						12,854	12,854	(12,854)	-	-	12,854	-	-

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11 Other long-term investments

	Consolidated and separate	
	financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Long-term deposits at financial institution	15,877	-
Other non-marketable equity securities	<u>1,580,604</u>	<u>1,580,604</u>
Total	<u>1,596,481</u>	<u>1,580,604</u>

Long-term deposits at a financial institution

As at 31 March 2018, the company had long-term deposits at a local financial institution, amounting to Baht 16 million (*31 March 2017: Nil*), which was bearing interest at the rate of 1.25% per annum (*31 March 2017: Nil*) and matured in March 2020.

<i>Other non-marketable equity securities</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cost of investments at 1 April of the preceding year	1,744,358	1,744,358	1,846,560	1,846,560
Allowance for impairment loss	<u>(163,754)</u>	<u>(163,754)</u>	<u>(265,956)</u>	<u>(265,956)</u>
Carrying amount of investments at 31 March	<u>1,580,604</u>	<u>1,580,604</u>	<u>1,580,604</u>	<u>1,580,604</u>

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Other non-marketable equity securities as at 31 March 2018 and 2017 and dividend income from these investments for the years then ended were as follows:

	Consolidated financial statements												
	Ownership		Currency	Paid-up capital		Cost		Impairment		At cost - net		Dividend	
	interest	interest		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(%)		<i>(in thousand Baht)</i>										
Thai Acrylic Fiber Co., Ltd.	15.98	15.98	THB	712,500	712,500	223,204	223,204	-	-	223,204	223,204	11,387	17,080
Alexandria Fiber Co., S.A.E.	14.40	14.40	USD	48,198	48,198	163,754	163,754	(163,754)	(163,754)	-	-	-	-
Blue Bucks Investment Pte. Ltd.	-	-	USD	10	10	758,000	758,000	-	-	758,000	758,000	20,662	-
Big Banyan Investment Pte. Ltd.	-	-	USD	10	10	599,400	599,400	-	-	599,400	599,400	16,528	-
Total						<u>1,744,358</u>	<u>1,744,358</u>	<u>(163,754)</u>	<u>(163,754)</u>	<u>1,580,604</u>	<u>1,580,604</u>	<u>48,577</u>	<u>17,080</u>

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	Ownership		Currency	Paid-up capital		Separate financial statements						Dividend	
	interest			2018	2017	Cost		Impairment		At cost - net		income	
	2018	2017				2018	2017	2018	2017	2018	2017	2018	2017
	(<i>%</i>)			<i>(in thousand Baht)</i>									
Thai Acrylic Fiber Co., Ltd.	15.98	15.98	THB	712,500	712,500	223,204	223,204	-	-	223,204	223,204	11,387	17,080
Alexandria Fiber Co., S.A.E.	14.40	14.40	USD	48,198	48,198	265,956	265,956	(265,956)	(265,956)	-	-	-	-
Blue Bucks Investment Pte. Ltd.	-	-	USD	10	10	758,000	758,000	-	-	758,000	758,000	20,662	-
Big Banyan Investment Pte. Ltd.	-	-	USD	10	10	599,400	599,400	-	-	599,400	599,400	16,528	-
Total						<u>1,846,560</u>	<u>1,846,560</u>	<u>(265,956)</u>	<u>(265,956)</u>	<u>1,580,604</u>	<u>1,580,604</u>	<u>48,577</u>	<u>17,080</u>

Preference shares of Blue Bucks Investment Pte. Ltd. (25,000,000 shares of USD one each) and preference shares of Big Banyan Investment Pte. Ltd. (20,000,000 shares of USD one each) are non-cumulative, redeemable, non-participative and non-voting preference shares, entitling the Company to receive dividend at a rate of 2.5% per annum, in years in which dividend is declared.

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12 Property, plant and equipment

	Consolidated and separate financial statements						
	Land	Buildings and constructions	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under installation and construction	Total
<i>Cost</i>							
At 1 April 2016	138,533	759,260	4,708,659	75,341	17,326	302,856	6,001,975
Additions	-	-	28,154	851	-	42,561	71,566
Disposal	-	-	(51,120)	(482)	(1,625)	(1,436)	(54,663)
Transfers	-	-	85,121	10	-	(85,131)	-
As at 31 March 2017 and							
1 April 2017	138,533	759,260	4,770,814	75,720	15,701	258,850	6,018,878
Additions	-	-	27,865	804	2,694	57,007	88,370
Disposal	-	-	(30,993)	(626)	(3,294)	-	(34,913)
Transfers	-	-	252,834	-	-	(252,834)	-
As at 31 March 2018	138,533	759,260	5,020,520	75,898	15,101	63,023	6,072,335

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	Consolidated and separate financial statements						
	Land	Buildings and constructions	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under installation and construction	Total
<i>Depreciation</i>							
At 1 April 2016	-	477,201	3,904,345	72,656	12,015	-	4,466,217
Depreciation charge for the year	-	22,199	163,465	1,096	2,575	-	189,335
Disposal	-	-	(50,691)	(482)	(1,555)	-	(52,728)
As at 31 March 2017 and							
1 April 2017	-	499,400	4,017,119	73,270	13,035	-	4,602,824
Depreciation charge for the year	-	22,139	160,267	874	1,869	-	185,149
Disposal	-	-	(30,993)	(626)	(2,827)	-	(34,446)
As at 31 March 2018	-	521,539	4,146,393	73,518	12,077	-	4,753,527
<i>Net book value</i>							
At 1 April 2016	<u>138,533</u>	<u>282,059</u>	<u>804,314</u>	<u>2,685</u>	<u>5,311</u>	<u>302,856</u>	<u>1,535,758</u>
At 31 March 2017	<u>138,533</u>	<u>259,860</u>	<u>753,695</u>	<u>2,450</u>	<u>2,666</u>	<u>258,850</u>	<u>1,416,054</u>
At 31 March 2018	<u>138,533</u>	<u>237,721</u>	<u>874,127</u>	<u>2,380</u>	<u>3,024</u>	<u>63,023</u>	<u>1,318,808</u>

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The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 March 2018 amounted to Baht 3,596 million (2017: Baht 3,511 million).

The Company has no pledged assets as at 31 March 2018 (2017: nil) as collateral against credit facilities received from financial institutions.

13 Deferred tax

Deferred tax assets and liabilities as at 31 March were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Total	83,503	101,337	-	(18,785)
Set off of tax	-	(18,785)	-	18,785
Net deferred tax assets	83,503	82,552	-	-
	Separate financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Total	86,074	101,337	-	(18,785)
Set off of tax	-	(18,785)	-	18,785
Net deferred tax assets	86,074	82,552	-	-

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Movements in total deferred tax assets and liabilities during the year ended 31 March were as follows:

	Consolidated financial statements			At 31 March 2018
	At 1 April 2017	(Charged) / Credited to		
		profit or loss	Other comprehensive income	
	<i>(in thousand Baht)</i>			
<i>Deferred tax assets</i>				
Provision for impairment of other investments	53,191	-	-	53,191
Provision for employee benefits	18,632	519	965	19,703
Unrealised loss from derivatives	21,578	(21,523)	-	55
Provision for decline in value of inventories	5,517	2,916	-	8,433
Others	2,832	(711)	-	2,121
Total	101,337	(18,799)	965	83,503
<i>Deferred tax liabilities</i>				
Deferred transaction cost	(18,785)	18,785	-	-
Total	(18,785)	18,785	-	-
Net	82,552	(14)	965	83,503

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	Separate financial statements (Charged) / Credited to			
	At 1 April 2017	profit or loss	Other comprehensive income	At 31 March 2018
	<i>(in thousand Baht)</i>			
<i>Deferred tax assets</i>				
Provision for impairment of other investments	53,191	-	-	53,191
Provision for impairment of investment in subsidiary	-	2,571	-	2,571
Provision for employee benefits	18,632	519	965	19,703
Unrealised loss from derivatives	21,578	(21,523)	-	55
Provision for decline in value of inventories	5,517	2,916	-	8,433
Others	2,832	(711)	-	2,121
Total	101,337	(16,228)	965	86,074
<i>Deferred tax liabilities</i>				
Deferred transaction cost	(18,785)	18,785	-	-
Total	(18,785)	18,785	-	-
Net	82,552	2,557	965	86,074

Thai Carbon Black Public Company Limited and its Subsidiary
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For the year ended 31 March 2018

	Consolidated and separate financial statements			
	(Charged) / Credited to			At 31
	At 1	profit or	Other	
April	loss	comprehensive	March	
	2016	income	2017	
	<i>(in thousand Baht)</i>			
<i>Deferred tax assets</i>				
Provision for impairment of other investments	53,191	-	-	53,191
Provision for employee benefits	18,632	(413)	-	18,219
Unrealised loss from derivatives	82,891	(61,313)	-	21,578
Provision for decline in value of inventories	2,400	3,117	-	5,517
Others	2,615	217	-	2,832
Total	159,729	(58,392)	-	101,337
<i>Deferred tax liabilities</i>				
Deferred transaction cost	(24,895)	6,110	-	(18,785)
Total	(24,895)	6,110	-	(18,785)
Net	134,834	(52,282)	-	82,552

14 Trade accounts payable

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	834,947	93,716	834,947	93,716
Other parties		340,214	591,796	340,214	591,796
Total		1,175,161	685,512	1,175,161	685,512

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15 Other payables

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	<u>144,718</u>	<u>17,277</u>	<u>144,718</u>	<u>17,277</u>
Others					
Other payables for machinery and equipment		56,713	45,604	56,713	45,604
Accrued bonus expenses		44,656	31,951	44,656	31,951
Accrued insurance expense		20,154	23,068	20,154	23,068
Accrued service fee		14,596	11,418	14,596	11,418
Accrued for legal claim		13,806	-	13,806	-
Dividends payables		6,420	5,356	6,420	5,356
Others		<u>61,164</u>	<u>60,602</u>	<u>61,042</u>	<u>55,602</u>
		<u>217,509</u>	<u>177,999</u>	<u>217,387</u>	<u>177,999</u>
Total		<u>362,227</u>	<u>195,276</u>	<u>362,105</u>	<u>195,276</u>

16 Long-term borrowing from financial institutions

	Consolidated and separate	
	financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Current		
Current portion of long-term borrowing from financial institutions	-	160,653
Non-current		
Long-term borrowing from financial institutions	<u>-</u>	<u>3,460,528</u>
	<u>-</u>	<u>3,621,181</u>

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Movements during the year ended 31 March 2018 and 2017 of borrowing from financial institutions were as follows:

	Consolidated and separate	
	financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 April of the preceding year	3,621,181	3,770,337
Repayment during the year	(3,376,484)	(98,656)
Amortised deferred transaction cost	93,926	30,552
Exchange rate adjustments	<u>(338,623)</u>	<u>(81,052)</u>
At 31 March	<u><u>-</u></u>	<u><u>3,621,181</u></u>

On 18 December 2015, the Company entered into a long-term facility agreement for US\$ 110 million with several banks (“the new facility agreement”) to replace the US\$ 175 million facility agreement the Company entered into on 1 June 2011 (“the old facility agreement”). The Company drew a new loan under the new facility agreement with interest at LIBOR+1.75% per annum while repaid the old loan under the old facility agreement. The principal of the new loan is repayable starting from December 2016 and every six months thereafter till 21 December 2020. During the year ended 31 March 2017, all the mortgages of land, buildings and machineries under the old facility agreement are released. Under the new facility agreement, negative pledge is required over all current and fixed assets of the Company.

During the year ended 31 March 2018, all loan had been paid in March 2018 and the pledge was automatically released.

Thai Carbon Black Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 March 2018

17 Non-current provisions for employee benefits

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Statement of financial position		
Non-current provision obligations for:		
Post-employment benefits	78,956	75,429
Other long-term employee benefits	19,559	17,586
Total	<u>98,515</u>	<u>93,015</u>
<i>For the year ended 31 March</i>		
Statement of comprehensive income:		
Recognised in profit or loss:		
Post-employment benefits	9,201	7,503
Other long-term employee benefits	2,870	2,486
Total	<u>12,071</u>	<u>9,989</u>
Recognised in other comprehensive income:		
Actuarial losses recognised in the year	4,825	-
Cumulative actuarial losses recognised	9,166	4,341

Post-employment benefits

The Company operates defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Company to actuarial risks, such as longevity risk, and interest rate risk.

Thai Carbon Black Public Company Limited and its Subsidiary
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Movement in the present value of the defined benefit obligations:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 April of the preceding year	75,429	78,062
Included in profit or loss:		
Current service cost	6,406	4,865
Interest on obligation	2,795	2,638
	<u>9,201</u>	<u>7,503</u>
Included in other comprehensive income:		
Actuarial loss	5,000	-
	<u>5,000</u>	<u>-</u>
Other:		
Benefits paid by the plan	(10,674)	(10,136)
	<u>(10,674)</u>	<u>(10,136)</u>
At 31 March	<u><u>78,956</u></u>	<u><u>75,429</u></u>

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Financial assumptions	1,798	-
Experience adjustment	3,202	-
Total	<u><u>5,000</u></u>	<u><u>-</u></u>

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Other long-term employee benefits

Obligation in respect of other long-term employee benefits was based on pensionable remuneration and the Company's policy.

Movement in the present value of the defined benefit obligations:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 April of the preceding year	17,586	15,100
Included in profit or loss:		
Current service cost	2,271	1,801
Interest on obligation	599	685
	<u>2,870</u>	<u>2,486</u>
Included in other comprehensive income:		
Actuarial gain	(175)	-
	<u>(175)</u>	<u>-</u>
Other:		
Benefits paid by the plan	(722)	-
	<u>(722)</u>	<u>-</u>
At 31 March	<u><u>19,559</u></u>	<u><u>17,586</u></u>

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Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Financial assumptions	(63)	-
Experience adjustment	(112)	-
Total	(175)	-

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated and separate financial statements	
	2018	2017
	<i>(%)</i>	
Discount rate	3.05	4.0
Future salary growth	8.28	9.0
Staff turnover rate	3.00 – 7.00	5.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated and separate financial statements	
	Increase	Decrease
	<i>(in thousand Baht)</i>	
At 31 March 2018		
Discount rate (1% movement)	(7,469)	8,465
Future salary growth (1% movement)	8,852	(7,707)

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	Consolidated and separate	
	financial statements	
At 31 March 2017	Increase	Decrease
Discount rate (1% movement)	(6,658)	7,546
Future salary growth (1% movement)	7,109	(6,426)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

18 Share capital

	Par value per share (in Baht)	2018		2017	
		Number	Amount	Number	Amount
		<i>(thousand shares / thousand Baht)</i>			
<i>Authorised</i>					
At 1 April of the preceding year					
- ordinary shares	1	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
At 31 March					
- ordinary shares	1	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
<i>Issued and paid-up</i>					
At 1 April of the preceding year					
- ordinary shares	1	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
At 31 March					
- ordinary shares	1	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
<i>Share premium</i>					

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

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19 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

As at 31 March 2018 and 2017, the Company’s legal reserve was equal to 10% of authorised share capital.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

20 Segment information

Management considers that the Group operates in a single line of business, namely carbon black, and has, therefore, only one reportable segment.

Geographical segments

The Company is managed, operates manufacturing facilities and sales offices only in Thailand.

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In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

Geographical information

	Revenues	
	2018	2017
	<i>(in thousand Baht)</i>	
Thailand	5,372,127	3,127,612
Japan	756,973	651,751
Indonesia	507,670	374,399
Vietnam	279,791	336,319
Malaysia	134,785	170,281
Other countries	<u>272,265</u>	<u>379,740</u>
Total	<u>7,323,611</u>	<u>5,040,102</u>

Major customers

For the year ended 31 March 2018, the Company has revenue from two major customers in the amount of Baht 1,322.7 million and Baht 988.9 million, respectively (*For the year ended 31 March 2017: Baht 677.3 million and Baht 419.6 million, respectively*).

21 Employee benefit expenses

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
Wages and salaries		334,124	274,613	334,124	274,613
Defined benefit plans	17	12,071	9,989	12,071	9,989
Defined contribution plans		7,357	7,333	7,357	7,333
Others		<u>29,940</u>	<u>24,962</u>	<u>29,940</u>	<u>24,962</u>
Total		<u>383,492</u>	<u>316,897</u>	<u>383,492</u>	<u>316,897</u>

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Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates 5% of their basic salaries and by the Group at rates 5% of the employees' basic salaries. The provident funds is managed by Tisco Assets Management Company Limited.

22 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Included in cost of sales of goods:</i>				
Changes in inventories of finished goods	(134,201)	(64,313)	(134,201)	(64,313)
Raw materials and consumables used	4,113,799	2,650,694	4,113,799	2,650,694
Depreciation and amortisation	190,014	192,983	190,014	192,983
Employee benefit expenses	247,021	208,001	247,021	208,001
Utility expenses	424,263	377,254	424,263	377,254
Others	<u>247,347</u>	<u>187,922</u>	<u>247,347</u>	<u>187,922</u>
Total	<u>5,088,243</u>	<u>3,552,541</u>	<u>5,088,243</u>	<u>3,552,541</u>
<i>Included in distribution costs:</i>				
Transportation	144,675	132,039	144,675	132,039
Others	<u>3,877</u>	<u>8,941</u>	<u>3,877</u>	<u>8,941</u>
Total	<u>148,552</u>	<u>140,980</u>	<u>148,552</u>	<u>140,980</u>

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	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Included in administrative expenses:</i>				
Employee benefit expenses	136,471	108,896	136,471	108,896
Technical assistance and consultancy	191,762	104,415	191,762	104,415
Rental expenses	12,142	14,498	12,142	14,498
Impairment loss on investment in subsidiary	-	-	12,854	-
Others	53,089	56,810	52,858	56,765
Total	393,464	284,619	406,087	284,574

23 Income tax expense

Income tax recognised in profit or loss

	Consolidated		Separate	
	financial statements		financial statements	
<i>Note</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Current tax expense	223,169	142,919	223,169	142,919
Deferred tax expense (income)	13 14	52,282	(2,557)	52,282
Total income tax expense	223,183	195,201	220,612	195,201

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Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2018			2017		
	<i>(in thousand Baht)</i>					
	Before tax	Tax (expense) income	Net of tax	Before tax	Tax (expense) income	Net of Tax
Currency translation differences	(52,133)	-	(52,133)	58,457	-	58,457
Share of other comprehensive income of associates	(971)	194	(777)	621	(124)	497
Defined benefit plan actuarial losses	<u>(4,825)</u>	<u>965</u>	<u>(3,860)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>(57,929)</u>	<u>1,159</u>	<u>(56,770)</u>	<u>59,078</u>	<u>(124)</u>	<u>58,954</u>

	Separate financial statements					
	2018			2017		
	<i>(in thousand Baht)</i>					
	Before tax	Tax (expense) income	Net of tax	Before tax	Tax (expense) income	Net of Tax
Defined benefit plan actuarial losses	<u>(4,825)</u>	<u>965</u>	<u>(3,860)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>(4,825)</u>	<u>965</u>	<u>(3,860)</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2018		2017	
	<i>Rate</i>	<i>(in thousand</i>	<i>Rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit before tax		<u>2,505,002</u>		<u>2,487,861</u>
Income tax using the Thai corporation tax rate	20	501,000	20	497,572
Income not subject to tax		(74,468)		(77,065)
Share of profit from investments in associates		(205,498)		(227,153)
Expenses not deductible for tax purposes		2,316		1,984
Additional expense deductions allowed		(158)		(146)
Others		(9)		9
Total	9	<u>223,183</u>	8	<u>195,201</u>

	Separate financial statements			
	2018		2017	
	<i>Rate</i>	<i>(in thousand</i>	<i>Rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit before tax		<u>1,492,312</u>		<u>1,379,992</u>
Income tax using the Thai corporation tax rate	20	298,462	20	275,998
Income not subject to tax		(80,008)		(82,635)
Expenses not deductible for tax purposes		2,316		1,984
Additional expense deductions allowed		(158)		(146)
Total	15	<u>220,612</u>	14	<u>195,201</u>

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Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

24 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Company has been granted privileges by the Board of Investment relating to the manufacture of carbon black, electricity and steam. The privileges granted include:

- (a) exemption from payment of import duty on machinery approved by the Board; and
- (b) exemption from payment of income tax for the operations for a period of 3 and 8 years from the date on which the income is first derived from such operations but the amount is not over specified amount; and
- (c) an exemption to include the dividend income from the promoted business in the computation of corporate income tax throughout the period of the Company being granted exemption.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificate.

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Summary of revenue and cost reduction from promoted and non-promoted businesses:

	Consolidated and separate financial statements					
	2018			2017		
	Promoted business	Non- promoted business	Total	Promoted business	Non- promoted business	Total
	<i>(in thousand Baht)</i>					
Sales						
Export sales	-	1,951,484	1,951,484	-	1,912,490	1,912,490
Local sales	-	5,372,127	5,372,127	-	3,127,612	3,127,612
Total sales	-	7,323,611	7,323,611	-	5,040,102	5,040,102
Cost reduction from sales of electricity and steam generated from manufacturing process	372,166	553,522	925,688	378,212	458,912	837,124
Total	372,166	7,877,133	8,249,299	378,212	5,499,014	5,877,226

25 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the year ended 31 March 2018 and 2017 were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Year ended 31 March	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	2,281,820	2,292,660	1,271,700	1,184,791
Number of ordinary shares outstanding	300,000	300,000	300,000	300,000
Earnings per share (basic) (in Baht)	7.61	7.64	4.24	3.95

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26 Dividends

At the annual general meeting of the shareholders of the Company held on 19 July 2017, the shareholders approved the appropriation of dividends of Baht 0.8 per share, amounting to Baht 240 million. The dividends were paid to shareholders in August 2017.

At the annual general meeting of the shareholders of the Company held on 14 July 2016, the shareholders approved the appropriation of dividends of Baht 0.6 per share, amounting to Baht 180 million. The dividends were paid to shareholders in August 2016.

27 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholder's equity and also monitors the level of dividends or ordinary shareholders.

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Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The effective interest rates of loan receivables, before considering effect from equity method of accounting, as at 31 March and the periods in which loan receivables mature or re-price were as follows:

Consolidated and separate financial statements

	Effective Interest Rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
2018					
Loan to related party	5.75	-	5,371,081	-	5,371,081
2017					
Loan to related party	4.66	-	5,928,832	-	5,928,832

The effective interest rates of interest-bearing financial liabilities as at 31 March and the periods in which those liabilities mature or re-price were as follows:

Consolidated and separate financial statements

	Effective Interest Rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
2018					
Loan from financial institutions	Nil	-	-	-	-
2017					
Loan from financial institutions	2.74	160,653	3,460,528	-	3,621,181

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Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

As at 31 March, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>United States Dollars</i>				
Cash and cash equivalents	253	254	253	254
Trade accounts receivable	252,951	210,279	252,951	210,279
Other receivables	717	8,049	717	8,049
Long-term loan to related party	5,371,081	5,928,832	5,371,081	5,928,832
Long-term interest receivables	1,701,256	1,506,100	1,701,256	1,506,100
Trade accounts payable	(1,102,658)	(590,569)	(1,102,658)	(590,569)
Other payables	(87,937)	(42,940)	(87,937)	(42,940)
Loan from financial institutions	-	(3,621,181)	-	(3,621,181)
Gross statement of financial position exposure	6,135,663	3,398,824	6,135,663	3,398,824
Currency forwards	(273)	(1,961,502)	(273)	(1,961,502)
Currency swaps	-	(1,936,455)	-	(1,936,455)
Net exposure	6,135,390	(499,133)	6,135,390	(499,133)
<i>Japanese Yen</i>				
Trade accounts payable	(28)	(967)	(28)	(967)
Gross statement of financial position exposure	(28)	(967)	(28)	(967)

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	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Indian Rupee</i>				
Other receivables	25	-	25	-
Trade accounts payable	-	(5,358)	-	(5,358)
Gross statement of financial position exposure	25	(5,358)	25	(5,358)
<i>Euro</i>				
Other receivables	3,277	3,474	3,277	3,474
Trade accounts payable	(2,519)	(8,212)	(2,519)	(8,212)
Other payables	(48,849)	(139,292)	(48,849)	(139,292)
Gross statement of financial position exposure	(48,091)	(144,030)	(48,091)	(144,030)
<i>Mexican Peso</i>				
Cash and cash equivalents	163	33	-	-
Other current assets	130	102	-	-
Other payables	(122)	-	-	-
Gross statement of financial position exposure	171	135	-	-

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk.

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The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection.

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 values of financial assets and liabilities

The fair values of short-term and current portion of financial assets and liabilities are taken to approximate the carrying value due to their short-term maturity of these financial instruments.

The fair values of long-term loans carrying a floating rate, which is considered to be market rate, are taken to approximate their fair values.

Derivative liabilities with carrying amount of Baht 0.3 million as at 31 March 2018 (*31 March 2017: Baht 107.9 million*) are taken at fair value determined as level 2 based on broker quotes.

28 Commitments and contingent liabilities with non-related parties

	Consolidated and separate financial statements	
	31 March 2018	31 March 2017
	<i>(in thousand Baht)</i>	
<i>Capital commitments</i>		
Machinery and equipment	8,972	51,491
Total	8,972	51,491

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	Consolidated and separate financial statements	
	31 March 2018	31 March 2017
	<i>(in thousand Baht)</i>	
<i>Non-cancellable operating lease commitments</i>		
Within one year	2,517	2,131
After one year but within five years	4,253	87
Total	6,770	2,218
 <i>Other commitments</i>		
Bank guarantees for electricity use <i>(for own performance)</i>	12,598	12,548
Total	12,598	12,548

Operating lease agreements

The Group has various operating lease agreements for office, office equipment and vehicle rental. The period of agreements is variable from 1-4 years.

Bank guarantee and letter of credit

As at 31 March 2018, the Company had outstanding bank guarantees issued by the bank for electricity use amounting to Baht 13 million (*31 March 2017: Baht 13 million*) and no outstanding letter of credit issued by the banks to guarantee payments to creditors (*31 March 2017: USD 12 million and JPY 3 million*).

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29 Reclassification of accounts

Certain accounts in the 2017 financial statements have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017		
	Before reclassification	Reclassification	After reclassification
		<i>(in thousand Baht)</i>	
<i>Consolidated and separate statements of financial position</i>			
Other payables	172,678	22,598	195,276
Derivatives liabilities	-	107,888	107,888
Other current liabilities	130,486	<u>(130,486)</u>	-
		<u><u>-</u></u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.