

Company Registration No. 02016440

**TATA TECHNOLOGIES EUROPE
LIMITED**

Translated Financial Statements

31 March 2021

TATA Technologies Europe Limited

Translated Financial Statements 2021

Contents	Page
Auditor's Report	3
Income Statement	5
Balance Sheet	6
Statement of changes in Equity	8
Notes to the Financial Statements	9



To,
The Board of Directors,
Tata Technologies Limited ('the Company')
Plot no 25,
Rajiv Gandhi Infotech Park.
Taluka Mulshi Hinjawadi,
Pune - 411057

Dear Sir,

I have verified the translated version of the audited standalone financial statements of TATA TECHNOLOGIES EUROPE LIMITED for the year ended 31st March 2021. The financial statements have been translated by the Company in Indian Rupee in accordance with the IND AS 21, The Effect of Changes in Foreign Currency Rates. The work carried out by us is in accordance with the Standard on Related Services (SRS) 4400, 'Engagements to Perform Agreed upon Procedures regarding Financial Information' issued by the Institute of Chartered Accountants of India.

As required under Schedule VI Part A Item No. (11)(I)(A)(ii)(b) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI ICDR Regulations'), we have verified the translated financial information contained in the Annexures attached to this certificate which is proposed to be uploaded on the website of *the Company* in connection with its proposed initial public offering of equity shares of TATA Technologies Limited.

We have not audited the standalone financial statements of TATA TECHNOLOGIES EUROPE LIMITED or standalone or consolidated financial statements of its parent company, TATA TECHNOLOGIES LIMITED. These financial statements have been audited by other audit firms, whose reports have been furnished to us by the Company.

These translated financials should not in any way be construed as a reissuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited standalone financial statements referred to herein.

These translated financials are intended solely for use of the management of the Company for uploading on the website of the Company in connection with the proposed Initial Public Offering of equity shares of the Company. Our certificate should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Disclaimer –

The above certification is based on the information and explanations provided by the management of the Company and its subsidiary Tata Technologies Europe Limited.

The above certificate is exclusively for the party mentioned above and not to be used for any other purpose.

For Chetan Mayur & Co.

Chartered Accountants

FRN – 123216W



Chetan Champak Shroff

Partner

Membership No – 104273

UDIN - 23104273BGSNVS8736

Date – 9th February 2023

TATA Technologies Europe Limited

Income Statement For the year ended 31 March 2021

	Note	2021		2020	
		£'000	INR'000	£'000	INR'000
Turnover	3	67,082	65,09,737	97,949	88,28,114
Cost of sales		55,916	54,26,173	77,866	70,18,039
Gross profit		11,166	10,83,564	20,083	18,10,075
Distribution costs		1,439	1,39,643	2,136	1,92,517
Administrative expenses		4,991	4,84,334	5,570	5,02,022
Research and development expenditure credit		-1,362	-	-2,069	-1,86,478
Other Income		-3,810	-	-	-
Operating profit		9,908	9,61,486	14,446	13,02,014
Finance costs	6	471	45,706	493	44,434
Profit before taxation		9,437	9,15,780	13,953	12,57,580
Tax charge on profit	7	1,827	1,77,295	2,587	2,33,166
Profit for the financial year		7,610	7,38,485	11,366	10,24,414

All activities are continuing in nature.

There are no items of other comprehensive income in either year other than those reflected in the profit and loss account. Accordingly, no separate statement of other comprehensive income is presented.

The accompanying notes form part of financial statements

TATA Technologies Europe Limited

Balance Sheet At 31 March 2021

		2021		2020	
	Note	£'000	INR'000	£'000	INR'000
Non-current assets					
Property, plant and equipment	10	2,442	2,46,068	3,046	2,84,907
Right of use assets	11	10,682	10,76,377	12,091	11,30,926
Intangible assets	9	57	5,744	134	12,533
Investments in subsidiaries	12	55,937	56,36,523	64,167	60,01,835
Deferred tax asset	13	373	37,586	358	33,482
Total non-current assets	A	69,491	70,02,298	79,796	74,63,683
Current assets					
Trade and other receivables	14	20,297	20,45,238	31,057	29,04,904
Cash at bank and in hand		26,052	26,25,144	16,239	15,18,908
Total current assets	B	46,349	46,70,382	47,296	44,23,812
Less: Current liabilities					
Short term borrowings	16	-	-	4,011	3,75,167
Trade payables	15	893	89,984	1,787	1,67,146
Provisions	15	1,327	1,33,716	1,259	1,17,760
Amounts owed to group undertakings	15	5,421	5,46,250	5,871	5,49,142
Current tax liabilities		2,422	2,44,054	3,643	3,40,747
Accruals and deferred income		4,640	4,67,552	8,646	8,08,700
Current Lease Liabilities	18	1,189	1,19,811	869	81,282
Total current liabilities	C	15,892	16,01,367	26,086	24,39,944
Net current assets	D (B-C)	30,457	30,69,015	21,210	19,83,868
Total assets less current liabilities, being net assets	(A+D)	99,948	1,00,71,313	1,01,006	94,47,551

TATA Technologies Europe Limited

Balance Sheet At 31 March 2021

Non-current liabilities					
Long-term borrowings	16	-		-	
Long-term lease liabilities	18	11,754	11,84,398	11,627	10,87,525
Equity					
Share capital	17	11	1,109	11	1,029
Retained earnings		88,183	88,85,807	89,368	83,58,997
Equity attributable to owners of the Company		88,194	88,86,915	89,379	83,60,026
Total liabilities and shareholders funds		99,948	1,00,71,313	1,01,006	94,47,551

The accompanying notes form part of financial statements

These financial statements of Tata Technologies Europe Limited, registered No. 02016440 were approved by the Board of Directors.

Signed on behalf of the Board of Directors



Nachiket Paranjape

Director

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

Statement of changes in Equity

	Share Capital		Retained Earnings		Total	
	£'000	INR'000	£'000	INR'000	£'000	INR'000
Total Comprehensive income for the period						
Balance at 1 April 2019	11	995	91,501	82,81,805	91,512	82,82,800
Profit for the financial year	-	-	11,366	10,24,414	11,366	10,24,414
Translation Reserve	-	-	1	94	1	94
Foreign currency translation	-	34	-	3,15,401	-	3,15,435
Transactions with owners, recorded directly in equity					-	-
Dividend Paid	-	-	-13,500	-12,62,717	-13,500	-12,62,717
Balance at 31 March 2020	11	1,029	89,368	83,58,997	89,379	83,60,026

	Share Capital		Retained Earnings		Total	
	£'000	INR'000	£'000	INR'000	£'000	INR'000
Total Comprehensive income for the period						
Balance at 1 April 2020	11	1,029	89,368	83,58,997	89,379	83,60,026
Profit for the financial year	-	-	7,610	7,38,485	7,610	7,38,485
Translation Reserve	-	-	-	-21,541	-	-21,541
Foreign currency translation	-	80	-	-4,415	-	-4,335
Transactions with owners, recorded directly in equity						
*Dividend	-	-	-8,795	-1,85,720	-8,795	-1,85,720
Balance at 31 March 2021	11	1,109	88,183	88,85,807	88,194	88,86,915

*refer note no.12

The accompanying notes form part of financial statements

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

1. General Information

The Company is a private Company limited by shares and is registered in England. The address of the Company's registered office is shown on page 1.

The nature of the Company's operations and its principal activities are set out in the strategic report.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Tata Motors Limited, a company registered in India. The group accounts of Tata Motors Limited, India are available to the public and can be obtained as set out in note 20. The registered office address of the parent Company preparing consolidated accounts is Bombay House, 24 Homi Mody Street, Mumbai, 400 001, India.

2. Significant Accounting policies

Basis of Accounting

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ("UK-Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of all Key Management Personnel; and

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

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The Strategic Report, Directors' Report and Financial Statements also describe the financial and liquidity position of the Company and the Company's objectives, policies and processes for managing its principal risks.

The Directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of severe but reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In making this assessment the Directors have considered the potential impact of the emergence and spread of COVID-19 on revenue and operating costs. As the majority of the company's sales are to a few key automotive customers any delay in the roll out of new models or model enhancements by these customers will have a direct impact on the activity of the Company. In applying their reasonably possible downside scenario the directors have considered the impact of such delays on forecast revenue, forecast cost base and forecast working capital movements and are satisfied that the Company's existing and available cash resources will be sufficient to meet its liabilities as they fall due.

The Company therefore continues to adopt the going concern basis in preparing its financial statements.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

Accounting policies (continued)

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Revenue Recognition

Revenue represents amounts receivable for goods and services net of value added tax and trade discounts, together with commissions' receivable. For contracts, which are for the supply of services and hardware on a time and material basis, turnover is recognised as goods and services are delivered.

For long term contracts, turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are included only when they have been agreed by the customer. For certain contracts, turnover from supply of services for projects is recognized using the percentage of completion method based on milestones agreed with the customer at the outset of the project.

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other income

The Company recognises income by way of grant from research and development activities when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Foreign exchange

Transactions denominated in foreign currencies are translated to the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less, at a future date, at rates expected to apply when they crystallise based on current tax rates and law or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash flow statement

The Company is a wholly owned subsidiary and the cash flows of the Company are included in the consolidated cash flow statement of Tata Motors Limited. Consequently, the Company is exempt under section 8 of FRS 101 from the requirement to prepare a cash flow statement.

Property Plant and Equipment

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery- 5 years	- 20% on cost
Plant and machinery- 15 years (for Leased Assets)	- 7% on cost
Fixtures, fittings and equipment	- 25% on cost
Vehicles	- 25% on cost
Leasehold Improvements	Lease Period
Right of use asset	Lease Period

Residual value is calculated on prices prevailing at the date of acquisition.

Intangible Assets

Intangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Software Licenses	- 33.3% on cost
-------------------	-----------------

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

Other Income

Other income included furlough grant received from the government under coronavirus job retention scheme (CJRS).

2a. Critical accounting judgements and key sources of estimation uncertainty

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

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

Impairment of investments in subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use for the calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates to calculate the present values.

Following an annual impairment review of investments in subsidiaries, management have taken the judgement not to impair investments as they believe each of the Company's investments is supported by its underlying net assets or discounted cash flows to estimate its value in use.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

3. Turnover

An analysis of the Company's revenue is as follows:

	2021		2020	
	£'000	INR'000	£'000	INR'000
Revenue Analysis				
Rendering of Services	66,344	64,38,121	97,022	87,44,564
Sale of Products	10	970	11	991
Other non-operating Income	728	70,646	916	82,559
	67,082	65,09,737	97,949	88,28,114

An analysis of the Group's revenue by geographical market is set out below.

	2021		2020	
	£'000	INR'000	£'000	INR'000
Geographical analysis of turnover by destination (including other income)				
United Kingdom	59,691	57,92,504	83,249	75,03,207
India	-	-	-	-
USA	141	13,683	412	37,133
Rest of World	371	36,002	104	9,373
Rest of Europe	6,151	5,96,902	13,268	11,95,841
	66,354	64,39,091	97,033	87,45,554

4. Auditor's remuneration

Fees payable to KPMG LLP, Birmingham and their associates for the audit of the Company's annual accounts were £104,225 INR 1,01,14,150. (2020- £104,225 INR 93,93,768).

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

5. Staff Costs

The average monthly number of employees (including executive directors) was:

	2021 No.	2020 No.
Selling and administration	32	33
Management	8	10
Direct	498	597
Total	538	640

Their aggregate remuneration comprised:

	2021		2020	
	£'000	INR'000	£'000	INR'000
Employment costs				
Wages and salaries	25,302	24,55,344	33,061	29,79,778
Social security costs	2,757	2,67,543	3,367	3,03,467
Other pension costs	1,628	1,57,984	1,770	1,59,530
	29,687	28,80,871	38,198	34,42,775

The director's remuneration has been shown separately in note below (Refer Note 19)

6. Interest

	2021		2020	
	£'000	INR'000	£'000	INR'000
Bank interest	34	3,299	33	2,974
Borrowing costs Lease liabilities	437	42,407	460	41,460
	471	45,706	493	44,434

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

7. Tax

	2021		2020	
	£'000	INR'000	£'000	INR'000
UK Corporation Tax				
Current tax	1,922	1,86,514	2,826	2,54,707
Current tax -prior year adjustment	-80	-7,763	-	-
Corporation Tax	1,842	1,78,751	2,826	2,54,707
Deferred tax-current year charge	-15	-1,456	-239	-21,541
Deferred tax-prior year adjustment			-	
	1,827	1,77,295	2,587	2,33,166

Factors affecting the taxation rate

The taxation rate for each period is different to the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	£'000	INR'000	£'000	INR'000
Profit on ordinary activities before taxation	9,437	9,15,780	13,953	12,57,580
UK statutory rate of tax charge 19%	1,793	1,73,995	2,651	2,38,934
Effects of:				
Expenses not deductible for tax purposes	114	11,063	-64	-5,768
Prior year adjustment of tax	-80	-7,763	-	-
Total taxation	1,827	1,77,295	2,587	2,33,166

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

8. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after the following charges/ (credits):

	2021		2020	
	£'000	INR'000	£'000	INR'000
Depreciation/amortisation	2,019	1,95,927	2,102	1,89,453
Exchange differences	-81	-7,860	53	4,777
Operating lease rentals				
- plant, machinery and vehicles	43	4,173	156	14,060
- other	-40	-3,882	33	2,974
Auditors Remuneration:				
Fees payable to the Company's auditors for the audit of the company's annual financial statements	104	10,092	150	13,519

9. Intangible Assets

	Software	
	£'000	INR'000
Cost		
At 1 April 2020	1,807	1,69,017
Additions	2	202
Disposals		
Exchange difference		13,066
At 31 March 2021	1,809	1,82,285
Depreciation		
At 1 April 2020	1,673	1,56,484
Charge for the year	79	7,666
Disposals		
Foreign Currency Translation		12,391
At 31 March 2021	1,752	1,76,541
Net book value		
At 31 March 2021	57	5,744
At 31 March 2020	134	12,533

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

10. Property, Plant and Equipment

	Plant and machinery		Fixtures, Fittings and Equipment		Leasehold Improvements		Total	
	£'000	INR'000	£'000	INR'000	£'000	INR'000	£'000	INR'000
Cost								
At 1 April 2020	5,404	5,05,461	1,491	1,39,460	1,490	1,39,367	8,385	7,84,288
Foreign Currency Translation		39,076		10,781		10,774	-	60,631
Additions	3	302	45	4,534	74	7,457	122	12,293
Disposals			-270	-27,207	-131	-13,200	-401	-40,407
At 31 March 2021	5,407	5,44,839	1,266	1,27,568	1,433	1,44,398	8,106	8,16,805
Depreciation								
At 1 April 2020	3,662	3,42,524	1,202	1,12,429	475	44,428	5,339	4,99,381
Charge for the year	400	38,817	238	23,096	88	8,540	726	70,453
Foreign Currency Translation		27,969		9,577		3,764	-	41,310
Disposals			-270	-27,207	-131	-13,200	-401	-40,407
At 31 March 2021	4,062	4,09,310	1,170	1,17,895	432	43,532	5,664	5,70,737
Net book value								
At 31 March 2021	1,345	1,35,529	96	9,673	1,001	1,00,866	2,442	2,46,068
At 31 March 2020	1,742	1,62,937	289	27,031	1,015	94,939	3,046	2,84,907

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

11. Right of use assets

	Right of use Buildings		Right of use Motor Vehicles		Right of use Office equipment		Total	
	£'000	INR'000	£'000	INR'000	£'000	INR'000	£'000	INR'000
Cost At 1 April 2020	12,713	11,89,105	600	56,121	13	1,216	13,326	12,46,442
Foreign Currency Translation		91,927		4,338		94		96,359
*Effect of transition on adoption of IFRS 16	-273	-27,509	-	-	-	-	-273	-27,509
Additions			156	15,719			156	15,719
Disposals							-	-
At 31 March 2021	12,440	12,53,523	756	76,178	13	1,310	13,209	13,31,011
Depreciation								
At 1 April 2020	1,024	95,780	206	19,268	5	468	1,235	1,15,516
Charge for the year	1,024	99,370	263	25,522	5	485	1,292	1,25,377
Foreign Currency Translation		11,217		2,469		55	-	13,741
Disposals							-	-
At 31 March 2021	2,048	2,06,367	469	47,259	10	1,008	2,527	2,54,634
Net book value								
At 31 March 2021	10,392	10,47,156	287	28,919	3	302	10,682	10,76,377
At 31 March 2020	11,689	10,93,325	394	36,853	8	748	12,091	11,30,926

*In the current year we have recognised the correct value of lease liability on right to use asset – Buildings on transition to IFRS 16 and netted off the deferred rent liability grouped in accruals and deferred income against this right to use asset.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

12. Subsidiaries

Non-Current Investments	£'000	INR'000
Balance at 1 April 2020	64,167	60,01,835
Additions	-	-
*Disposals	8,230	8,29,300
Foreign currency translation	-	4,63,988
Balance at 31 March 2021	55,937	56,36,523

Subsidiary undertakings and Companies directly held by the Company	Country of incorporation	Registered Address	Class	Shares held and voting rights %	Status
Tata Technologies Inc.	United States	6001 Cass Avenue Suite 600 Detroit, MI USA-48202	Ordinary	96.05%	Trading
Tata Technologies de Mexico, S.A. de C.V.	Mexico	Blvd, Independencia, #1600, Ote, 27100 Torreon, Coahuila	Ordinary	96.05%	Under liquidation
Cambric Limited	Bahamas	C/o H&J Corporate Services Ltd, East Bay Street, PO Box SS-19084	Ordinary	96.05%	Dormant

* This includes transfer of investment of the Company's wholly owned subsidiary, Escenda Engineering AB, a company incorporated in Sweden, to Tata Technologies Pte Limited, a company incorporated in Singapore, for NIL consideration.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

13. Deferred tax

	2021		2020	
	£'000	INR'000	£'000	INR'000
The amounts provided for deferred tax assets are:				
Capital allowances in excess of depreciation	228	22,975	197	18,426
Short term timing differences	145	14,611	161	15,056
	373	37,586	358	33,482

	Deferred taxation	
	£'000	INR'000
Balance at the beginning of the year	358	33,482
Credit to the profit and loss account for the year	15	4,104
Balance at the end of the year	373	37,586

14. Trade and Other receivables

Receivables falling due within one year	2021		2020	
	£'000	INR'000	£'000	INR'000
Trade receivables (inclusive of £8,275 in 2021 and £11,801 at 2020 owed by Group undertakings)	10,552	10,63,278	18,107	16,93,631
Amounts owed by Group undertakings	21	2,116	516	48,264
Other debtors	2,025	2,04,050	2,275	2,12,791
Prepayments and accrued income (inclusive of £3,934 in 2021 and £4,199 at 2020 related to Group undertakings)	7,699	7,75,794	10,159	9,50,218
	20,297	20,45,238	31,057	29,04,904

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

15. Trade and other payables

Creditors: amounts falling due within one year	2021		2020	
	£'000	INR'000	£'000	INR'000
Trade payables	893	89,984	1,787	1,67,146
Provisions	1,327	1,33,716	1,259	1,17,760
Amounts owed to group undertakings	5,421	5,46,250	5,871	5,49,142
	7,641	7,69,950	8,917	8,34,048

16. Borrowings

Amounts due for settlement within 12 months	2021		2020	
	£'000	INR'000	£'000	INR'000
Short term bank loans	-	-	4,011	3,75,167
Short term borrowings	-	-	-	-
	-	-	4,011	3,75,167

There are no outstanding short-term borrowings as of 31 March 2021. The Company's Short term borrowings as of 31 March 2020 comprises of the amount received from the Mizuho bank towards the factoring of JLR invoices. This amount is fully repaid on 03 April 2020.

17. Share Capital and Reserves

	2021		2020	
	£'000	INR'000	£'000	INR'000
Called up, allotted and fully paid				
10,697 ordinary shares of £1 each	11	1,109	11	1,029

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

18. Leases

Following is the summary of future minimum lease rental payments under non-cancellable operation leases entered by the Company:

	Future minimum lease payment				Interest				Present value of minimum lease payment			
	2021		2020		2021		2020		2021		2020	
	£'000	INR'000	£'000	INR'000	£'000	INR'000	£'000	INR'000	£'000	INR'000	£'000	INR'000
Leases which expire:												
Within one year	1,494	1,50,544	1,279	1,19,631	-305	-30,733	-410	-38,349	1,189	1,19,811	869	81,282
Within two to five years	5,348	5,38,894	4,744	4,43,728	-1,357	-1,36,739	-1,380	-1,29,078	3,991	4,02,155	3,364	3,14,650
After five years	9,030	9,09,913	9,393	8,78,570	-1,267	-1,27,670	-1,130	-1,05,694	7,763	7,82,243	8,263	7,72,875
Total commitments	15,872	15,99,351	15,416	14,41,929	-2,929	-2,95,142	-2,920	-2,73,121	12,943	13,04,209	12,496	11,68,807

Following amounts are recognised in the statement of profit and loss for the year ended March 31, 2021

	£'000	INR'000
Interest expense on lease liabilities	437	42,407
Variable lease payment not included in the measurement of lease liabilities	-	-
Expenses related to short-term leases	3	291
Expenses related to low-value assets, excluding short-term leases of low-value assets	-	-

In the current year we have recognised the correct value of lease liability on right to use asset – Buildings on transition to IFRS 16 and netted off the deferred rent liability grouped in accruals and deferred income against this right to use asset.

19. Directors' remuneration

	2021		2020	
	£'000	INR'000	£'000	INR'000
Aggregate emoluments for qualifying services	220	21,349	274	24,696
Contributions to a money purchase pension scheme	11	1,067	29	2,614
	231	22,416	303	27,310

The highest paid director did not exercise any share options in the year and had no shares receivable under long-term incentive schemes. The highest paid director had emoluments for qualifying services of £ 219,600 INR 2,13,10,313 for the year and is a member of the Company's defined contribution pension scheme and had accrued entitlements of £10,500 INR 10,18,936 under the scheme for the year.

TATA Technologies Europe Limited

Notes to the Financial Statements Year ended 31 March 2021

20. Controlling Party

During the year investment held in the Company by Incat International PLC has been transferred to Tata Technologies Pte Ltd.

The immediate parent companies are Tata Technologies Pte, Limited, a company registered in Singapore and Tata Technologies Limited, a company registered in India. The ultimate parent company and controlling party of the company is Tata Motors Limited, a company registered in India.

Tata Motors Limited is the parent company of the largest group to which this company belongs and for which group financial statements are prepared. The smallest group to which this company belongs and for which group financial statements are prepared is headed by Tata Technologies Limited, an intermediate parent company. Copies of the consolidated financial statements of Tata Motors Limited can be obtained from Bombay House, 24 Homi Mody Street, Mumbai, 400 001, India.