

**Company Registration No. 02377350**

**INCAT International PLC**

**Annual Report and Financial Statements**

**31 March 2020**

# **INCAT International PLC**

## **Report and Financial Statements 2020**

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# **INCAT International PLC**

## **Officers and Professional Advisers**

### **Directors**

Praveen Kadle  
Warren Harris  
Arun Krishnamurthi

### **Registered office**

European Innovation and Development Centre  
Olympus Avenue  
Tachbrook Park  
Warwick  
CV34 6RJ

### **Banker**

JP Morgan Chase  
125 London Wall  
London EC2Y 5AJ

### **Auditor**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham,  
B4 6GH  
United Kingdom

# INCAT International PLC

## Strategic Report

### Overview of the Company

The Strategic report has been prepared solely to provide additional information to shareholders as a body to assess INCAT International PLC's strategies and the potential for those strategies to succeed, and therefore should not be relied on by any other party or for any other purpose. INCAT International PLC ("the Company") is a European entity of Tata Technologies Limited (TTL), an Indian Company and a 100% subsidiary of Tata Technologies Pte Limited, a company registered in Singapore.

### Principal risks

The Company deals in multiple territories and currencies such as USD, EUR and INR which results in some exchange rate fluctuation risks in a post-Brexit scenario.

### Future Outlook

As the principle business of the company is to act as a holding company for the TTL's subsidiary, Tata Technologies Europe Limited ("TTEL") and its subsidiaries has a strong outlook and growth in opportunities keeping the long-term view in mind.

### Key Performance Indicators

The Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company.

### Financial Performance

The Tata Technologies group is highly focused on delivery of value to its customers, research and development and investment in sales. With its pragmatic approach to business, strong client relationships, unique service offerings along with the financial backing and global reach of the Tata Technologies Group, the Company continues to be well placed for future success and growth.

Approved by the Board of Directors  
and signed on behalf of the Board



Arun Krishnamurthi  
Director  
15 July 2020

# **INCAT International PLC**

## **Directors' Report**

The directors present their Annual Report and the Audited Financial Statements for the year ended 31 March 2020. The Statement of Directors' responsibilities, is to be considered as a part of this report.

### **Principal activities**

The principal activity of the Company is to act as a holding company for the TTL's subsidiaries, having a business of providing IT and engineering design services.

The Company made a Profit for the year of £12.68 M in 2020 in comparison to a profit after tax of £91,000 in 2019.

### **Country of incorporation**

INCAT International PLC has been incorporated in the United Kingdom with its registered address at European Innovation and Development Centre (EIDC) Olympus Avenue, Tachbrook Park, Warwick, United Kingdom, CV34 6RJ.

### **Dividends**

The Company had paid interim dividend of 0.52 GBP per share aggregating to 12.62M GBP on equity share capital of the Company as on 21st June 2019.

### **Future outlook**

It is expected that INCAT International PLC will continue to be the holding company for TTL's European subsidiaries for the foreseeable future.

### **Going Concern**

The Directors' report & financial statements describe the financial and liquidity position of the Company. The Company has a net current asset position as at 31 March 2020.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Capital Structure**

The details of the authorized and issued share capital have been shown along with the movements from the previous year in Statement of changes in equity below. The Company has no individual shareholders and has its 100% shares held by Tata Technologies Pte Ltd having its registered office at Singapore, resulting in an issued capital consisting of 24,275,000 Ordinary Shares of 1p each.

The Company has the authority to issue ordinary shares under its Articles of Association. No person has any special rights of control over the Company's share capital which are all issued and fully paid.

The Directors are not aware of any agreements resulting in restrictions on the transfer of shares or voting rights which are governed by the provisions as per the Articles of Association, the Companies Act and any other related legislation.

### **Directors**

The names of the Directors who served the Company throughout the year and to the date of this report were as follows:

Mr. Praveen Kadle

Mr. Warren Harris

Mr. Arun Krishnamurthi

# INCAT International PLC

## Directors' Report (continued)

### Branches outside the UK

The Company has no branches outside of UK.

### Auditor

Each of the persons who are a Director at the date of approval of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

### Post balance sheet activities

10,000 ordinary shares of Tata Technologies Europe Ltd. of nominal value £1 each held by the Company were transferred to Tata Technologies Pte Ltd (Singapore) on 27<sup>th</sup> May 2020. Consequently, Tata Technologies Europe Ltd has become a 100% subsidiary of Tata Technologies Pte Ltd.

### Approved by the Board of Directors and signed on behalf of the Board



Arun Krishnamurthi

Director

15 July 2020

# INCAT International PLC

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Independent Auditor's Report to the members of INCAT International PLC**

## **Opinion**

We have audited the financial statements of Incat International PLC ("the Company") for the year ended 31 March 2020 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

## **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;



- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**for and on behalf of KPMG LLP, Statutory Auditor**

**Xavier Timmermans** 

*Chartered Accountants*

One Snowhill

Snow Hill Queensway

Birmingham

B4 6GH

United Kingdom

15 July 2020

**INCAT International Plc**  
**Income Statement**  
**Year ended 31 March 2020**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>£000</b>	<b>£000</b>
Administrative expenditure (net)		<u>(1)</u>	<u>0</u>
<b>Operating loss</b>		<b>(1)</b>	<b>0</b>
Other income/(expense) (net)	7	12,725	91
Finance income/(expense) (net)	8,9	<u>(1)</u>	<u>0</u>
<b>Profit before taxation</b>		<b>12,724</b>	<b>91</b>
Tax on profit	10	<u>(36)</u>	<u>-</u>
<b>Profit for the financial year</b>		<b><u>12,688</u></b>	<b><u>91</u></b>

Profit/(loss) before taxation is derived from continuing operations. There are no items of other comprehensive income in either year other than those reflected in the profit and loss account.

The accompanying notes form an integral part of these Financial Statements

**INCAT International PLC**  
**Balance Sheet**  
**At 31 March 2020**

	Notes	2020 £000	2019 £000
<b>Non-current assets</b>			
Investments	11	4,247	4,247
<b>Current assets</b>			
Cash at bank and in hand		1,088	121
Other receivable	12	-	4,845
<b>Total assets</b>		<b>5,335</b>	<b>9,213</b>
Less: Current Liabilities			
Trade payables- amounts falling due within one year	13	(366)	(4,332)
Current tax liabilities		(20)	-
<b>Total assets less current liabilities, being net assets</b>		<b>4,949</b>	<b>4,881</b>
<b>Equity and reserves</b>			
Share capital	14	243	243
Share premium account		3,029	3,029
Merger reserve		853	853
Capital redemption reserve		12	12
Retained earnings		812	744
<b>Shareholders equity</b>		<b>4,949</b>	<b>4,881</b>

These financial statements of INCAT International PLC, registered number 02377350 were approved by the Board of Directors and authorised for issue on 15 July, 2020.

Signed on behalf of the Board of Directors



Arun Krishnamurthi  
Director

The accompanying notes form an integral part of these Financial Statements

# INCAT International PLC

## Statement of changes in equity For the year ended 31 March 2020

	Share Capital £'000	Share Premium Account £'000	Merger Reserve £'000	Capital Redemption £'000	Retained Earnings £'000	Total £'000
<b>Total Comprehensive income for the period</b>						
Balance at 1 April 2018	243	3,029	853	12	653	4,790
Profit for the financial year	-	-	-	-	91	91
<b>Balance at 31 March 2019</b>	<b>243</b>	<b>3,029</b>	<b>853</b>	<b>12</b>	<b>744</b>	<b>4,881</b>
<b>Total Comprehensive income for the period</b>						
Balance at 1 April 2019	243	3,029	853	12	744	4,881
Profit for the financial year					12,688	12,688
<b>Transactions with owners, recorded directly in equity</b>						
Dividend Paid					(12,620)	(12,620)
<b>Balance at 31 March 2020</b>	<b>243</b>	<b>3,029</b>	<b>853</b>	<b>12</b>	<b>812</b>	<b>4,949</b>

The accompanying notes form an integral part of these Financial Statements

## Notes to the Financial Statements Year ended 31 March 2020

### 1. General Information

The Company is a public limited company 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 14. The registered office address of the parent company preparing consolidated accounts is Bombay House, 24 Homi Mody Street, Mumbai, 400 00, 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 EU ("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 directors' report & financial statements describe the financial and liquidity position of the Company. The Company has a net current asset position as at 31 March 2020.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### Investments

Investments in subsidiaries are stated at cost less provision for any impairment.

#### 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.

## Notes to the Financial Statements Year ended 31 March 2020

### 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.

#### Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Exchange differences arising from the re-translation of the opening net assets of subsidiaries which operate in currencies other than sterling are taken to reserves together with the difference arising when the profit and loss accounts are translated at average rates and compared with rates ruling at the period-end.

#### 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.

### 3. Auditor's remuneration

Fees payable to KPMG LLP and their associates for the audit of the Company's annual accounts were included within the Audit fees payable by its subsidiary company, Tata Technologies Europe Limited, and amount to £5,000.

There are no fees payable to KPMG LLP and their associates for non-audit services to the Company.

### 4. Profit on ordinary activities before taxation

Operating Profit is stated after charging:

	2020 £000	2019 £000
Auditor's remuneration		
- fees payable to the Company's auditors for the audit of the Company's annual financial statements**	5	5
Foreign exchange gain	(105)	(92)

\*\*The Audit fees is borne by the subsidiary Company, Tata Technologies Europe Limited.

There are no non audit fees.

### 5. Directors' remuneration

The Directors of INCAT International Plc are not employed or paid by the Company. The remuneration of the Directors can be found in the financial statements of other group Companies in both the current and the prior financial year as follows:

W Harris –	Tata Technologies Inc and Tata Technologies Ltd.
A Krishnamurthi-	Tata Technologies Europe Ltd.
P Kadle –	No remuneration paid

It is not practicable to allocate their remuneration between Tata Technologies Limited group companies.

### 6. Employees

The Company had no employees in either the current financial year or the prior financial year.

# INCAT International PLC

## Notes to the Financial Statements Year ended 31 March 2020

### 7. Other Income

	2020	2019
	£000	£000
Foreign Currency Gain	105	92
Income received from Group Undertakings	12,620	-
	<u>12,725</u>	<u>92</u>

### 8. Finance Income

	2020	2019
	£000	£000
Interest received	41	42
	<u>41</u>	<u>42</u>

### 9. Finance Expense

	2020	2019
	£000	£000
Interest payable and similar charges - Bank charges	<u>42</u>	<u>42</u>

### 10. Tax on profit

The differences are explained below:

	2020	2019
	£000	£000
Profit on ordinary activities before taxation	12,724	91
Profits related to prior years	<u>86</u>	<u>-</u>
	<u>12,810</u>	<u>91</u>
UK Corporation tax at 19% (2018: 19%) thereon	2,434	17
Plus the effect of:		
Utilization of previous year losses	-	-
Income not considered for tax	(2,398)	(17)
Expenses not deductible for tax	-	-
Group Relief with no payment	<u>-</u>	<u>-</u>
Total tax	<u>36</u>	<u>-</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset as at 31 December 2019 has been calculated based on this rate. In the 11 March 2020 Budget, it was announced that the UK tax rate will remain at the current 19% and not reduce to 17% from 1 April 2020. This will have a consequential effect on the company's future tax charge.

# INCAT International PLC

## Notes to the Financial Statements Year ended 31 March 2020

### 11. Non-Current Investments

	Shares in subsidiary undertakings £000
<b>Cost and net book value</b>	
At 1 April 2019	4,247
Addition	-
	<hr/>
At 31 March 2020	4,247
	<hr/>

The Company holds more than 20% of the share capital of the following companies, the activities of which are all computer and related services.

Subsidiary undertakings and Companies directly held by parent Company	Country of incorporation	Registered Office	Class	Shares held %	Status
Tata Technologies Europe Limited ('TTEL')	Great Britain	EIDC, Olympus Avenue, Techbrook Park, Warwick – CV34 6RJ	Ordinary	93	Trading
INCAT GmbH	Germany	Friedrichstrasse 15, D-70174 Stuttgart, Germany	Ordinary	100	Under liquidation

### 12. Other Receivable

	2020 £000	2019 £000
Amounts owed by ESOP Trust	-	4,845
	<hr/>	<hr/>
	-	4,845
	<hr/>	<hr/>

### 13. Creditors: amounts falling due within one year

	2020 £000	2019 £000
Amounts owed to group undertakings	352	4,321
Other Creditors	14	11
	<hr/>	<hr/>
	366	4,332
	<hr/>	<hr/>

Amounts owed to group undertakings are repayable on demand. No interest was charged in either the current or prior financial year.



# INCAT International PLC

## Notes to the Financial Statements Year ended 31 March 2020

### 14. Share capital

	2020 £000	2019 £000
<b>Called up &amp; Paid Up :</b>		
24,275,000 ordinary shares of 1p each (2019: 24,275,000 )	243	243

### 15. Related party transactions

The Company has taken advantage of the exemption available under Section 8 of FRS 101 “Related Party Transactions” not to disclose details of transactions with fellow group companies.

### 16. Ultimate parent Company and controlling party

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 the Company belongs and for which group financial statements are prepared. Copies of the consolidated financial statements of Tata Motors Limited can be obtained from Bombay House, 24 Homi Mody Street, Mumbai, 400 001, India.

The immediate parent undertaking of the Company is Tata Technologies Pte Ltd, a Company registered in Singapore. Copies of the consolidated financial statements of Tata Technologies Pte Ltd can be obtained from 25, Pune Infotech Park, Hinjewadi, Pune, India.