

Jaguar Land Rover (South Africa) Holdings Limited

Annual report and financial statements

For the year ended 31 March 2021

(Company registered number: 07769130)

Directors and Advisor

Directors

L. E. Kretzschmar
R. Gouverneur

Company secretary

H.S. Cairns

Registered office

Abbey Road
Whitley
Coventry
CV3 4LF

Auditor

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

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Strategic Report

The directors present their strategic report and the audited financial statements of Jaguar Land Rover (South Africa) Holdings Limited ('the company') for the year ended 31 March 2021.

Principal activity

The company's principal activity is to act as a holding company for investments in group companies. There are no changes anticipated to the principal activities of the company in the foreseeable future. The company forms part of the wider Jaguar Land Rover Automotive plc group.

Review of business and future developments

The results of the company are set out on page 7. The company does not trade and therefore reported no turnover in the current or prior year. During the year ended 31 March 2021 the company received dividends of R536m (2020: R100m). The directors recommend that Rnil dividend should be proposed or paid for the year ended 31 March 2021 (2020: Rnil). The company has net assets of R3,344m (2020: R2,783m).

Key performance indicators

The directors do not consider any key performance indicators to be relevant to the understanding of the financial performance or financial position of the company.

Principal risks and uncertainties

The key risks and uncertainties to the business manifest through its exposure to changes in the global economic and geopolitical environment, as part of other issues which affect the Jaguar Land Rover group, such as the ongoing impact of the COVID-19 pandemic.

Further information regarding the impact of such risks and uncertainties to the Jaguar Land Rover group, of which the company is part, are included in the Jaguar Land Rover Automotive plc Annual Report 2020/21 which is available from its registered office.

Statement by the directors in performance of their statutory duties in accordance with S172(1) of the Companies Act 2006

The directors of the Company are aware of their responsibility to appropriately discharge their duties under the Companies Act 2006, including their duty to act in a way that they consider, in good faith, will be most likely to promote the success of the Company for the benefit of its members as a whole, having due regard for:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Company

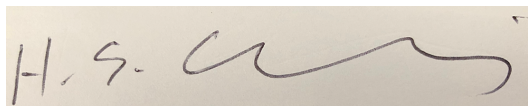
The Company has no employees other than the Directors of the Company and no direct suppliers or customers; however, as a subsidiary holding company of the Jaguar Land Rover Automotive plc Group ('the Group'), the Directors consider the impact of the Company's activities on the Group's shareholder, other subsidiaries of the Group and any impact on the other stakeholders of the Group as a whole.

The Directors also fulfil their responsibilities through application of the Group's policies and procedures, including those relating to engagement with employees, the environment and the communities in which the Group operates. An explanation of how the Group Board has considered the matters above is set out on pages 28 and 29 of the Jaguar Land Rover Automotive plc Annual Report for the year ending 31 March 2021, which does form part of this report.

The directors consider relevant matters in making decisions, including those relating to capital distributions to its shareholder and from its subsidiaries, to promote the long-term success of the Company.

Strategic Report (Continued)

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

A handwritten signature in dark ink on a light-colored background. The signature appears to be 'H.S. Cairns' followed by a stylized flourish.

H.S. Cairns
Company secretary
07 June 2021

Registered Office:

Abbey Road
Whitley
Coventry
CV3 4LF

Directors' report

The directors present their report and the audited financial statements for the company for the year ended 31 March 2021.

Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have completed a going concern assessment for the company for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds through funding from its intermediate parent company, Jaguar Land Rover Automotive plc, to meet its liabilities as they fall due for that period.

The going concern assessment for the company is dependent on Jaguar Land Rover Automotive providing additional financial support during that period. Jaguar Land Rover Automotive plc has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Events after the reporting date

There have been no material events since the reporting date.

Directors

The directors who held office during the year and subsequent to the year end to the date of this report are as follows:

L. E. Kretzschmar
R. Gouverneur

Directors' indemnities

An intermediate parent, Jaguar Land Rover Automotive plc, maintained directors' liability insurance for all directors during the financial year.

Political donations

The company made no political donations in the year (2020: Nil).

Independent auditor

During the year KPMG LLP were re-appointed as the company's auditor. In accordance with Section 487 of the Companies Act 2006, the company has elected to dispense with laying financial statements before the general meeting, holding annual general meetings and the annual appointment of the auditor. With such an election in force the company's auditor shall be deemed to be re-appointed for each succeeding financial year in accordance with Section 485 of the Act.

Directors' report (Continued)

Statement of disclosure of information to auditor

In the case of the persons who were directors at the time when the report is approved under Section 418 of the Companies Act 2006, the following applies:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken necessary actions in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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



Liaan Kretzschmar
Director
07 June 2021

Registered Address

Abbey Road
Whitley
Coventry, CV3 4LF

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statement;
- 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 Jaguar Land Rover (South Africa) Holdings Limited

Opinion

We have audited the financial statements of Jaguar Land Rover (South Africa) Holdings Limited for the year ended 31 March 2021 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the 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 2021 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").

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.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Independent auditor's report to the members of Jaguar Land Rover (South Africa) Holdings Limited (Continued)

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks. We performed procedures including including agreeing all accounting entries to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

Independent auditor's report to the members of Jaguar Land Rover (South Africa) Holdings Limited (Continued)

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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

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.



John Hughes (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snowhill

Snow Hill Queensway

Birmingham

B4 6GH

United Kingdom

10 June 2021

Income statement

	<i>Note</i>	Year ended 31 March 2021 Rm	Year ended 31 March 2020 Rm
Dividend received		536	100
Finance income	3	35	53
Profit before tax		571	153
Income tax expense	6	(10)	(15)
Profit for the year		561	138

All the activities of the company are from continuing operations.

There were no gains or losses other than the result for both the current and prior financial years. Accordingly, no separate statement of comprehensive income has been presented.

The notes on pages 12 to 18 form an integral part of these financial statements.

Balance sheet

As at	Note	31 March 2021 Rm	31 March 2020 Rm
Non-current assets			
Investments	7	1,950	1,950
Current assets			
Receivables	8	1,482	912
Total assets		3,432	2,862
Current liabilities			
Accounts payable	9	88	79
Total liabilities		88	79
Capital and reserves			
Called up share capital	10	-	-
Share premium reserve		1,950	1,950
Retained earnings		1,394	833
Equity attributable to equity holders of the parent		3,344	2,783
Total liabilities and equity		3,432	2,862

The notes on pages 12 to 18 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 07 June 2021 and were signed by:



Liaan Kretzschmar
Director

Company registered number: 07769130

Statement of Changes in Equity

	Called up share capital Rm	Share premium Rm	Reserves Rm	Total equity Rm
Balance at 1 April 2020	-	1,950	833	2,783
Profit for the year	-	-	561	561
Total comprehensive income for the year	-	-	561	561
Balance at 31 March 2021	-	1,950	1,394	3,344

	Called up share capital Rm	Share premium Rm	Reserves Rm	Total Equity Rm
Balance at 1 April 2019	-	1,950	695	2,645
Profit for the year	-	-	138	138
Total comprehensive income for the year	-	-	138	138
Balance at 31 March 2020	-	1,950	833	2,783

The notes on pages 12 to 18 form an integral part of these financial statements.

Notes to the Financial Statements

1 Background and Operations

Jaguar Land Rover (South Africa) Holdings Limited is a limited company incorporated and domiciled in the United Kingdom and has its registered office at Abbey Road, Whitley, Coventry, CV3 4LF. The company is an indirect subsidiary of Tata Motors Limited, India. The company's principal activity is to act as a holding company for investments in group companies.

The company has a functional currency of Rand (R). These financial statements have been presented in South African Rand and rounded to the nearest million Rand (Rm) unless otherwise stated.

2 Accounting Policies

Statement of compliance

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

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 March 2021 the company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the Financial Reporting Council. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("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". This transition is not considered to have had a material effect on the financial statements, having no impact on profit before tax, profit after tax or the net assets of the company in any year. The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IFRS 7 *'Financial Instruments: Disclosures'*
- The following paragraphs of IAS 1, *'Presentation of financial statements'*:
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B–D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134–136 (capital management disclosures).
- The requirements of IAS 7 *'Statement of Cashflows'*
- The requirements of paragraphs 30 and 31 of IAS 8 *'Accounting Policies, Changes in Accounting Estimates and Errors'* in relation with the effects of new but not yet effective IFRSs
- The requirement of paragraph 17 of IAS 24 *'Related Party Disclosures'* in respect of the compensation of Key Management Personnel
- The requirement in IAS 24 *'Related Party Disclosures'*, to disclose related party transactions entered into between wholly owned subsidiaries or between the parent and wholly owned subsidiaries
- The requirements of paragraphs 91-99 of IFRS 13 *'Fair Value Measurement'*
- The following paragraphs of IFRS 15 Revenue:
 - 113(a), 114 and 115 (disaggregated and total revenue from contracts with customers);
 - 118 (explanation of significant changes in contract assets and liabilities);
 - 119(a) – (c) (description of when performance obligations are satisfied, significant payment terms, and the nature of goods and services to be transferred)
 - 120 – 122 (aggregate transaction price allocated to unsatisfied performance obligations and when revenue is expected to be recognised);
 - 123, 125 and 127(a) (significant judgements in determining the amount and timing of revenue recognition and the amount of capitalised costs to obtain or fulfil a contract); and
 - 124, 126 and 127(b) (methods used to recognise revenue over time, determine transaction price and amounts allocated to performance obligations and determine amortisation of capitalised cost to obtain or fulfil a contract)

Notes to the financial statements (Continued)

2 Accounting policies (Continued)

Statement of Compliance (Continued)

The financial statements contain information about Jaguar Land Rover (South Africa) Holdings Limited, as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in consolidated financial statements of Jaguar Land Rover Automotive plc.

As the consolidated financial statements of Jaguar Land Rover Automotive plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures.

- IFRS 2 Share Based Payments in respect of group settled share based payments
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

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

Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have completed a going concern assessment for the company for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds through funding from its intermediate parent company, Jaguar Land Rover Automotive plc, to meet its liabilities as they fall due for that period.

The going concern assessment for the company is dependent on Jaguar Land Rover Automotive providing additional financial support during that period. Jaguar Land Rover Automotive plc has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Income recognition

Dividend income is recognised from subsidiary undertakings once receivable.

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income 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.

Foreign currency

The functional and presentational currency of the company is South African Rand.

Notes to the financial statements (continued)

2 Accounting policies (continued)

Income taxes

Income tax expense comprises current tax. Income tax expense is recognised in the income statement, except when related to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity, whereby tax is also recognised outside of profit or loss).

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Where possible, the company utilises group relief from other group companies with no payment.

Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Company holds a long-term interest and where the Company has significant influence. The Company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Company has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Impairment of investments in subsidiaries, associates and jointly controlled entities

At each balance sheet date or when there are indicators of impairment, the Company assesses whether there is objective evidence that the carrying value of investments in subsidiaries, associates and jointly controlled entities may be impaired.

The recoverable amount is dependent on a wide range of assumptions, including sales volume forecasts, operating margin, capital expenditure and the discount rate. Cash flow forecasts are prepared based on the best available information to the Company, including historical trends, cycle plans and performance targets. Based on this assessment performed at the balance sheet date, it was concluded by the directors that the Company's investments were not impaired.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from proceeds.

Dividend payable recognition

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes to the financial statements (continued)

2 Accounting policies (continued)

NEW ACCOUNTING PRONOUNCEMENTS

(a) Standards, revisions and amendments to standards and interpretations not significant to the Company and applied for the year ending 31 March 2021:

The following amendments and interpretations have been adopted by the Company in the year ending 31 March 2021:

- Amendments to the references to the conceptual framework in IFRS standards;
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of material;
- Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures – Interest rate benchmark reform; and
- Amendments to IFRS 3 Business Combinations – Definition of business

The adoption of these amendments and interpretations has not had a significant impact on the financial statements.

3. Finance income

	Year ended 31 March 2021 Rm	Year ended 31 March 2020 Rm
Interest received	35	53
Total finance income	35	53

4. Auditor's Remuneration

Auditor's remuneration for both the current and prior financial years is borne by the immediate parent company, Jaguar Land Rover Limited and is not recharged. The company's allocation for fees payable to the company's auditor for the audit of the annual financial statements is R0.1 million (2020: R0.1 million). The company incurred no non-audit fees in either the current or prior financial year.

5. Employees and directors' emoluments

The company did not have any employees other than the directors in either the current or prior financial year.

Directors' remuneration for both the current and prior financial years is paid by Jaguar Land Rover (South Africa) (Pty) Ltd, which makes no recharge to this company. The allocation for Directors' qualifying services to Jaguar Land Rover (South Africa) Holdings Ltd is R0.4 million (2020: R0.4 million).

Notes to the financial statements (continued)

6. Taxation

As the company is tax resident in South Africa it is subject to Corporation Tax in South Africa.

Recognised in the income statement

	Year ended 31 March 2021 Rm	Year ended 31 March 2020 Rm
Current Income tax expense	10	15
Total income tax expense	10	15

Reconciliation of effective tax rate

	Year ended 31 March 2021 Rm	Year ended 31 March 2020 Rm
Profit attributable to shareholders for the year	561	138
Total income tax expense	10	15
Profit excluding taxation	571	153
Tax using the South African corporation tax rate of 28% (2020:28%)	160	43
Dividend income not subject to taxation	(150)	(28)
Total income tax expense	10	15

There are no unrecognised deferred tax assets or liabilities at either 31 March 2021 or 31 March 2020.

An increase in the UK corporation tax rate from 17% to 19% (effective from 1 April 2020) was substantively enacted on 17 March 2020. In the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have consequential effect on the Company's future tax charge. As no net deferred tax has been recognised at 31 March 2021 there would have been £nil impact had the rate change been substantively enacted at the balance sheet date.

Notes to the financial statements (continued)

7. Investments

Investments consist of the following:

	31 March 2021 Rm	31 March 2020 Rm
Balance at start and end of year	1,950	1,950
The Company held direct investments for 2021 and 2020 in:		

Name of Company	Interest	Class of share	Principal place of business and country of incorporation	Principal Activity	Registered office address
Jaguar Land Rover (South Africa) (Pty) Ltd	100%	Ordinary	South Africa	Acting as principal in the sale and marketing of vehicles, parts and accessories and the provision of related services.	28 Victoria Link, Route 21 of Corporate Park, Nellmapius Drive, Irene X30, Centurion, Tshwane, Gauteng, South Africa

8. Receivables

Receivables consist of loans, interest on loans and dividends received to fellow group companies, the details of which are as follows:

	31 March 2021 Rm	31 March 2020 Rm
Amounts due from group undertakings	1,482	912
Total Receivables	1,482	912
Falling due within one year	1,482	912

All Receivables are loans and interest on loans from other group companies and no impairment is required. This includes a cash pooling arrangement with the immediate parent company which is repayable on demand and the applicable interest rate is JIBAR + 5 basis points (bps).

9. Accounts payable

	31 March 2021 Rm	31 March 2020 Rm
Amounts due to group undertakings	88	79
Total accounts payable	88	79

Amounts due to group undertakings relates to tax payable balances with its subsidiary, Jaguar Land Rover (South Africa) (Pty) Ltd, which settles directly with tax authorities on behalf of the company.

Notes to the financial statements (continued)

10. Share capital

	31 March 2021	31 March 2020
	R	R
<i>Allotted, called up and fully paid</i>		
100 (2020: 100) ordinary shares of R1 each	100	100
	<u> </u>	<u> </u>

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the company.

11. Ultimate parent company and parent company of larger group

The immediate parent undertaking is Jaguar Land Rover Limited and ultimate parent undertaking and controlling party is Tata Motors Limited, India which is the parent of the largest group to consolidate these financial statements. The smallest group to consolidate these financial statements is headed by Jaguar Land Rover Automotive plc.

Copies of the Jaguar Land Rover Automotive plc consolidated financial statements can be obtained from the Company Secretary at the company's registered address.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the company Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai – 400001, India.