

Audit Report

To Price Waterhouse Chartered Accountants LLP, Tide Water Oil Co. (India) Limited Group Audit Team

1. As requested in your Group Audit Instructions ("Instructions") dated March 20, 2024, we have audited the accompanying special purpose consolidated financial statements for **Veedol UK Limited** (the "Company") expressed in **GBP** as of March 31, 2024 and for the year then ended. This special purpose financial statements has been prepared solely to enable Tide Water Oil Co. (India) Limited to prepare consolidated financial statements and not to report on the Company as a separate entity. This special purpose financial statements is the responsibility of the Company's Management. Our responsibility is to express an opinion on this special purpose financial statements based on our audit.

Management's Responsibility for the Special Purpose Financial Statements

2. The Company's Management is responsible for the preparation and presentation of these special purpose financial statements in accordance with policies and instructions contained in Tide Water Oil Co. (India) Limited Group's disclosed accounting policies as contained in the Instructions for the financial year ended March 31, 2024. This responsibility includes the design, implementation and maintenance of internal financial controls relevant to the preparation and presentation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Tide Water Oil Co. (India) Limited to prepare its consolidated financial statements.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial controls relevant to the Company's preparation and fair presentation of the special purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal financial controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the special purpose financial statements.



5. As requested by you, we planned and performed our audit using the materiality level specified in your Instructions, which is different than the materiality level that we would have used had we been designing the audit to express an opinion on the special purpose financial statements of the component alone.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Basis for Opinion

7. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

8. In our opinion, the accompanying special purpose financial statements for the Company as of March 31, 2024 and for the year then ended are free from material misstatements and has been prepared, in all material respects, to give the information required to be shown in accordance with the policies and instructions contained in the Tide Water Oil Co. (India) Limited Group's accounting policies which were provided by Price Waterhouse Chartered Accountants LLP as Appendix J to the Instructions and which are in keeping with the accounting principles generally accepted in India.

Emphasis of matter – Basis of Preparation

9. We draw attention to the fact that the accompanying special purpose financial statements is not presented in accordance with and does not include all the information required to be disclosed by the accounting principles generally accepted in India. Accordingly, the accompanying information is not intended to give a true and fair view of the financial position of the Company as of March 31, 2024, or the results of its operations or its cash flows or its changes in equity for the year then ended in accordance with accounting principles generally accepted in India. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. We also report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid special purpose financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Company have been kept so far as it appears from our examination of those books and records of the Company.



(c) The financial information dealt with by this Report are in agreement with the relevant books of account maintained by the Company including relevant records relating to the preparation of the special purpose financial statements.

(d) In our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations as at March 31, 2024 which would impact the financial position of the Company.
- ii. The Company was not required to recognise a provision in the special purpose financial statements under the applicable law or Tide Water Oil Co. (India) Limited's group accounting policies, as it does not have any material foreseeable losses on long-term contract as at March 31, 2024. The Company did not have any derivative contracts as at March 31, 2024.

Restriction of use

11. This report is intended solely for the use of Price Waterhouse Chartered Accountants LLP – Tide Water Oil Co. (India) Limited Group Audit Team in connection with the audit of the consolidated financial statements of Tide Water Oil Co. (India) Limited and should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Place: Kolkata
Date: 30.04.2024



For L. B. Jha & Co.
Chartered Accountants
Firm Registration No: 301088E

(D. N. Roy)

Partner

Membership Number: 300389
UDIN: 24300389BKDBJF8306

VEEDOL UK LTD
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3.1	60,30,373	39,90,819
Right to use	3.2	-	-
Capital Work-in-progress	3.3	3,08,608	-
Total Non-current Assets		63,38,981	39,90,819
Current Assets			
Inventories	4	32,15,730	33,50,372
Financial Assets			
i. Trade Receivables	5	68,52,678	59,92,728
ii. Cash and Cash Equivalents	6	8,34,047	8,07,916
Current Tax Assets (Net)	8	27,153	-
Other Current Assets	7	1,54,820	1,17,081
Total Current Assets		1,10,84,428	1,02,68,097
TOTAL ASSETS		1,74,23,409	1,42,58,916
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	9	37,895	37,895
Other Equity	10	1,17,63,286	92,21,812
Inter Branch Current Account			
TOTAL EQUITY		1,18,01,181	92,59,707
LIABILITIES			
Non-current Liabilities			
Deferred Tax Liabilities (Net)	13	2,19,508	2,36,636
Total Non-current Liabilities		2,19,508	2,36,636
Current Liabilities			
Financial Liabilities			
i. Trade Payables	14	48,30,355	34,44,176
ii. Lease liability	11	-	3,429
iii. Other Financial Liabilities	12	1,89,000	1,64,000
Current Tax Liabilities (Net)	15	-	4,91,458
Other Current Liabilities	16	3,83,365	6,59,510
Total Current Liabilities		54,02,720	47,62,573
TOTAL LIABILITIES		56,22,228	49,99,209
TOTAL EQUITY AND LIABILITIES		1,74,23,409	1,42,58,916

The accompanying Notes form an integral part of the Balance Sheet.

This is the consolidated Balance Sheet referred to in our report of even date.

For L B Jha & Co.
Chartered Accountants
FRN: 301088E

D. N. Roy, FCA
Partner
M.No.: 300389



For and On behalf of Board of Directors of
Veedol UK Limited

Director

Director

Place: Kolkata
Date: 30.04.2024

VEEDOL UK LTD

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

Particulars	Note	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue from Operations	17	2,97,29,963	2,79,48,689
Other Income	18	3,90,370	3,53,921
Total Income		3,01,20,333	2,83,02,610
Expenses			
Cost of Materials Consumed	19	1,66,46,188	1,54,72,018
Purchases of Stock-in-Trade	20	6,28,192	4,08,692
Changes in Inventories of Finished Goods	21	(1,942)	18,77,170
Employee Benefits Expense	22	26,59,579	20,76,917
Finance Costs	23	52,196	13,867
Depreciation and Amortisation Expense	24	4,52,952	4,44,807
Other Expenses	25	33,61,425	25,67,353
Total Expenses		2,37,98,590	2,28,60,824
Profit before Tax		63,21,743	54,41,786
Exceptional Items		-	-
Profit before tax		-	-
Income Tax Expense			
Current Tax	34	16,22,224	9,41,459
Deferred Tax		(17,128)	1,16,515
Profit for the Year		47,16,647	43,83,812
Other Comprehensive Income			
Total Comprehensive Income for the Year		47,16,647	43,83,812
Earnings per equity share(for discontinued & continuing operations)			
(1) Basic	26	124.47	115.68
(2) Diluted		124.47	115.68

The accompanying Notes form an integral part of the Statement of Profit and Loss.

This is the Consolidated Statement of Profit & Loss referred to in our report of even date.

For L B Jha & Co.
Chartered Accountants
FRN: 3010389

D. N. Roy, FCA
Partner
M.No.: 300389



For and On behalf of Board of Directors of

Veedol UK Limited

Director

Director

Place: Kolkata
Date: 30.04.2024

VEEDOL UK LTD				
Statement of Changes in Equity for Period Ended 31st March 2024				
Equity Share Capital				
Particulars				Amount
As at 1st April,2022				37,895
Increase/(Decrease) In Equity Share Capital				-
As at 31st March,2023				37,895
Increase/(Decrease) In Equity Share Capital				-
As at 31st March 2024				37,895
Other Equity				
Particulars	Reserves and Surplus			Total
	Securities Premium account	Revaluation Reserve	Retained Earnings	
As at 1st April,2022	5,605	1,31,922	64,11,305	65,48,832
Rectification of prior period error(Refer Note 37)			70,233	70,233
Reinstated Balances as on 01.04.2022	5,605	1,31,922	64,81,538	66,19,065
Profit for the year			43,83,812	43,83,812
Transfer from Revaluation Reserve to Retained Earnings		(10,484)	10,484	-
Dividends paid			(17,81,065)	(17,81,065)
As at 31st March,2023	5,605	1,21,438	90,94,769	92,21,812
Profit for the year			47,16,647	47,16,647
Transfer from Revaluation Reserve to Retained Earnings		(1,21,438)	1,21,438	-
Dividends paid			(21,75,173)	(21,75,173)
As at 31st March 2024	5,605	-	1,17,57,681	1,17,63,286

The accompanying Notes form an integral part of the Statement of Changes in Equity.
This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For L B Jha & Co.
Chartered Accountants
FRN: 301089E

D. N. Roy, FCA
Partner
M.No.: 300389



Place: Kolkata
Date: 30.04.2024

For and On behalf of Board of Directors of
Veedol UK Limited

Director

Director

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
A. Cash flow from operating activities		
Profit before tax from	63,21,743	54,41,786
Adjustments for:		
Depreciation and amortisation expense	4,52,952	4,44,807
Finance cost	52,196	13,867
Net profit on disposal property, plant and equipment	(8,400)	(23,850)
Interest income classified as investing cash flows	-	-
Operating Profit before Changes in Operating Assets and Liabilities	68,18,491	58,76,610
Changes in Operating Assets and Liabilities:		
(Increase)/decrease in inventories	1,34,642	4,46,788
(Increase)/decrease in trade receivables	(8,59,950)	(6,98,462)
(Increase)/decrease in Other Current Assets	(37,739)	27,924
Increase/(decrease) in Trade payables	13,86,179	(7,51,187)
Increase/(decrease) in Other Financial Liabilities	25,000	1,64,000
Increase/(decrease) in Current Liabilities	(2,76,145)	4,14,272
Cash generated from operations	71,90,478	54,79,946
Income taxes paid	(21,40,835)	(8,91,970)
Net Cash Flow From Operating Activities	50,49,643	45,87,977
B. Cash Flow from Investing Activities		
Payments from Acquisition of Property, Plant and equipment and intangible assets	(28,01,115)	(6,79,837)
Proceeds from disposal of Property, Plant and equipment and intangible assets	8,400	23,850
Interest received	-	-
Net Cash From Investing Activities	(27,92,715)	(6,55,987)
C. Cash Flow from Financing Activities		
Interest paid	(52,095)	(12,962)
Principle elements of lease payments	(3,429)	(41,149)
Interest elements of lease payments	(101)	(905)
Proceeds from/ Repayment of borrowings	-	(13,32,252)
Dividends paid	(21,75,173)	(17,81,065)
Net Cash Used in Financing Activities	(22,30,798)	(31,68,333)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	26,130	7,63,657
Cash and cash equivalents at the beginning of the year (Refer Notes 7)	8,07,917	44,260
Cash and cash equivalents at the end of the year (Refer Notes 7)	8,34,047	8,07,917
	26,130	7,63,657

The accompanying Notes form an integral part of the Statement of Cash Flows.
This is the consolidated Statement of Cash Flows referred to in our report of even date.

For L B Jha & Co.
Chartered Accountants
FRN: 301083E

D. N. Roy
D. N. Roy, FCA
Partner
M.No.: 300389



For and On behalf of Board of Directors of

Veedol UK Ltd

Director

S. A. Banerjee
Director

Place: Kolkata
Date: 30.04.2024

VEEDOL UK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

1. Company Background

Veedol UK Ltd is a public limited company, incorporated and domiciled in United Kingdom. The registered office of the Company is located at 29, Goldthorpe Industrial Estate, Goldthorpe Rotherham, England.

The Company is mainly engaged in the business of manufacturing and marketing of lubricants.

2. Material Accounting Policy Information

This note provides a list of the material accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements comply in all material respects with Ind AS notified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules 2015] and other provisions of the Act.

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value.

(iii) Current Versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) expected to be realised or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,



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- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

2.2 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act, except in respect of certain laboratory equipments. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Useful lives of the property, plant and equipment are based on technical assessment.



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**Estimated useful lives of the property, plant and equipment as
estimated by the management are as follows:**

Buildings	-	25 Years
Plant and Equipment	-	4 to 5 Years
Furniture and Fixtures	-	4 Years
Motor Vehicles	-	3 Years

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

2.3 Intangible Assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Software

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software include license fees and cost of implementation/system integration services, where applicable.



Amortisation Method and Period

Software are amortised on a pro-rata basis using the straight-line method over their estimated useful life of 3 years, from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end.

2.4 Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

2.5 Inventories

Inventories are stated at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.6 Leases

As a Lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in



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which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, for leases held by the Company, which does not have recent third-party financing and make adjustments specific to the lease e.g. term, country, etc.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

Payments associated with short-term leases of offices, depots and storage tanks and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.



2.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.8 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Trade Payables and Other Financial Liabilities

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Other financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

2.10 Revenue Recognition

Sale of Products

The Company manufactures and sells Lubricant Oils, Greases and car care products. Sales are recognised when control of the products has been transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the



specific location as the case may be, the risks of loss have been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

Revenue from these sales is recognised based on the terms of the contract, net of estimated schemes outflows. Accumulated experience is used to estimate and provide for the liability of scheme outflows, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

2.11 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

2.12 Foreign Currency Transactions and Translation

(i) Functional and Presentation Currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The consolidated financial statements are presented in GBP which is the Company's functional and presentation currency.



(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance Costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other Income' / 'Other Expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.13

Employee Benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The obligations are presented under 'Provisions' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.



2.14 Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.15 Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.16 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.17 Earnings Per Share

(i) Basic Earnings Per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year excluding treasury shares.

(ii) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and



- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.18 Critical Estimates and Judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

• Impairment of Trade Receivables

The risk of uncollectibility of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

• Estimation of Expected Useful Lives of Property, Plant and Equipment — Notes 2.2 and 3.1

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.



VEEDOL UK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

• Contingencies —Note 2.15

Legal proceedings covering some of the matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

• Fair Value Measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



3.10 PROPERTY, PLANT AND EQUIPMENT
Figures as per 31st March 2024 (FY 2023-24)

Description	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 01/04/23	Adjustments (Refer Note 37)	Additions	Deductions	As at 31/03/24	As at 01/04/23	Adjustments (Refer Note 37)	Depreciation for the year	Adjustment on Disposal	As at 31/03/24	As at 31/03/23
Plant & Machinery	24,53,878		1,91,570	-	26,45,448	14,64,739		2,29,495	-	16,94,234	9,89,139
Freehold Land	2,20,000		5,75,000		10,15,000	-		-	-	10,15,000	-
Freehold Building	36,68,468		16,89,610		51,38,078	9,72,012		1,62,103	-	11,34,115	26,96,456
Furniture & Fittings	95,203		5,326		1,00,529	82,026		21,695	-	83,721	33,177
Motor Vehicles	1,53,341		31,000	11,004	1,73,337	1,01,294		39,659	11,004	1,29,949	52,047
TOTAL	65,90,890		24,92,506	11,004	90,72,392	26,00,071	-	4,52,952	11,004	60,30,373	37,70,819

Figures as per 31st March 2023 (FY 2022-23)

Description	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 01/04/22	Adjustments (Refer Note 37)	Additions	Deductions	As at 31/03/23	As at 01/04/22	Adjustments (Refer Note 37)	Depreciation for the year	Adjustment on Disposal	As at 31/03/23	As at 31/03/22
Plant & Machinery	18,66,538		5,99,340	32,000	24,53,878	13,50,715		1,46,024	32,000	14,64,739	5,35,823
Freehold Land		2,20,000			2,20,000						
Freehold Building	36,07,180	(2,20,000)	2,81,268		36,68,468	8,76,606	(70,233)	1,65,639		9,72,012	27,30,574
Furniture & Fittings	2,11,023		15,610	1,31,430	95,203	1,69,841		23,615	1,31,430	62,026	41,182
Motor Vehicles	1,27,233		47,758	21,650	1,53,341	74,681		48,263	21,650	1,01,294	52,552
TOTAL	58,31,974		93,996	1,85,080	65,90,890	24,71,843	(70,233)	3,83,541	1,85,080	26,00,071	33,60,131

3.2 RIGHT-OF-USE-ASSETS

Figures as per 31st March 2024 (FY 2023-24)

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 01/04/23	Transfers	Additions	Deductions	As at 31/03/24	As at 01/04/23	Depreciation for the year	Adjustment on Disposal	As at 31/03/24	As at 31/03/23
Right of Use Assets	2,28,605	-	-	-	2,28,605	2,28,605	-	-	2,28,605	-
	2,28,605	-	-	-	2,28,605	2,28,605	-	-	2,28,605	-

Figures as per 31st March 2023 (FY 2022-23)

Figures as per first month ended (01/04/2022-2023)											
Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT		
	As at 01/04/22	Transfers	Additions	Deductions	As at 31/03/23	As at 01/04/22	Depreciation for the year	Adjustment on Disposal	As at 31/03/23	As at 31/03/22	
Right of Use Assets	2,28,605				2,28,605	1,67,339	61,266		2,28,605	-	61,266
Total	2,28,605		-	-	2,28,605	1,67,339	61,266	-	2,28,605	-	61,266



Note 3
3.3 CAPITAL WORK-IN- PROGRESS

Particulars	Extent of work completed	As at 31st March 2024	As at 31st March 2023
Capital Work in Progress A	Representing initial feasibility designs for bespoke link building due to complete September 2024	8,340.00	-
Capital Work in Progress B	Representing 25% progress payments for bespoke filling line due to complete October 2024	1,20,330.00	-
Capital Work in Progress C	Representing 50% progress payments for bespoke blow mould machine due to complete October 2024	1,79,938.00	-
TOTAL		3,08,608.00	-

AGEING OF CAPITAL WORK-IN-PROGRESS

Particulars	AMOUNTS IN CAPITAL WORK-IN-PROGRESS FOR A PERIOD OF				
	As at 31st March 2024				As at 31st March 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,08,608.00				3,08,608.00
Projects temporarily suspended					-
Total	3,08,608.00	-	-	-	3,08,608.00

COMPLETION SCHEDULE FOR CAPITAL WORK-IN-PROGRESS WHOSE COMPLETION IS OVERDUE AS COMPARED TO ITS ORIGINAL PLAN

Particulars	TO BE COMPLETED IN				
	As at 31st March 2024				As at 31st March 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Project A	8,340.00				8,340.00
Project B	1,20,330.00				1,20,330.00
Project C	1,79,938.00				1,79,938.00
Project D					
Total	3,08,608.00	-	-	-	3,08,608.00



VEEDOL UK LTD

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	As at 31st March, 2024	As at 31st March, 2023
NOTE 3.1		
NON CURRENT ASSET		
PROPERTY PLANT and EQUIPMENT		
Gross Block	90,72,392	65,90,890
Less-Depreciation	30,42,019	26,00,071
Net Block	60,30,373	39,90,819
NOTE 3.2		
Right to Use		
Gross Block	2,28,605	2,28,605
Less-Depreciation	2,28,605	2,28,605
Net Block	-	-
NOTE 3.3		
CAPITAL WORK IN PROGRESS		
Carrying Amount End of Quarter	3,08,608	-
	3,08,608	-
OTHER INTANGIBLE ASSETS		
Gross Block	92,303	92,303
Less-Depreciation	92,303	92,303
Net Block	-	-
Note 4		
INVENTORIES		
- At Lower of Cost and Net Realisable Value		
Raw Materials	19,16,569	20,53,153
Finished Goods	10,32,461	10,95,625
Stock in Trade	2,66,700	2,01,594
	32,15,730	33,50,372



VEEDOL UK LTD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	As at 31st March, 2024	As at 31st March, 2023
Note 5		
TRADE RECEIVABLES		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	-	-
From Related Party (Refer Note 40)	-	-
- Veedol International Limited	24,319	54,672
- Veedol International DMCC		
From Others	68,28,359	59,38,056
Trade Receivables - Credit Impaired	36,387	64,225
	68,89,065	60,56,953
	36,387	64,225
Less: Loss Allowance	68,52,678	59,92,728
Note 6		
CASH AND CASH EQUIVALENTS		
Balances with Banks	8,31,686	8,07,248
- In Current Accounts	-	-
- In Fixed Deposits (Original Maturity of less than Three Months)	-	-
Cheques, Drafts on Hand	2,361	668
Cash on Hand	8,34,047	8,07,916
Note 7		
OTHER ASSETS		
Prepaid Expenses	1,54,820	1,17,081
	1,54,820	1,17,081
NOTE 8		
CURRENT TAX ASSETS (NET)		
Advance Taxes	27,153	-
	27,153	-



VEEDOL UK LTD

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	As at 31st March, 2024	As at 31st March, 2023
NOTE 9		
EQUITY SHARE CAPITAL		
Issued, Subscribed and Paid-up:		
37,895 Equity Shares of 1 GBP each fully paid	37,895	37,895
	37,895	37,895
Equity Share Capital		
Issued, Subscribed and Paid-up		
37,895 Equity shares of 1 GBP each fully paid up (Previous year		
37,895 Equity shares of 1 GBP each fully paid up)		
a) Terms and rights attached to Equity shares		
The Company has one class of Equity shares having a par value of 1 GBP per share (Previous year 1 GBP per share).		
Shareholders are eligible for one vote per share held.		
b) Details of Equity shares held by Shareholders holding more than 5% of the aggregate shares in the Company		
Tide Water Oil Co (I) Ltd	Number 37,895	Holding 100%
c) Details of Equity shares held by Promoters of the Company		
Tide Water Oil Co (I) Ltd	Number 37,895	Holding 100%
Note 10		
OTHER EQUITY		
RESERVES AND SURPLUS		
Securities Premium Account		
Opening Balance	5,605	5,605
Closing Balance	5,605	5,605
Revaluation Reserve:		
Balance as per last Accounts	1,21,438	1,31,922
Less: Transferred to Profit and Loss Account	1,21,438	10,484
	-	1,21,438
Retained Earnings		
Opening Balance	90,94,769	64,11,305
-Rectification of prior period error (Refer Note 37)		70,233
Reinstated Opening Balance	90,94,769	64,81,538
Profit for the Year	47,16,647	43,83,812
Dividend Paid	(21,75,173)	(17,81,065)
Add: Transferred from Revaluation Reserve	1,21,438	10,484
Closing Balance	1,17,57,681	90,94,769
	1,17,63,286	92,21,812



VEEDOL UK LTD

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	As at 31st March, 2024	As at 31st March, 2023
Note 11		
Current		
Lease Liabilities	-	3,429
	-	3,429
Note 12		
OTHER FINANCIAL LIABILITIES		
Current		
Payable to Employees	1,89,000	1,64,000
	1,89,000	1,64,000
Note 13		
DEFERRED TAX LIABILITIES (NET)		
Opening Deferred Tax Liabilities	2,36,636	1,20,121
Property, Plant and Equipment / Intangible Assets / Investment Properties	(17,128)	1,16,515
Closing Deferred Tax Liabilities	2,19,508	2,36,636
Note 14		
TRADE PAYABLES		
Dues to Related Parties	-	122
- Veedol International Limited	48,30,355	34,44,054
Dues to Others		
	48,30,355	34,44,176
Note 15		
CURRENT TAX LIABILITIES		
Provision for taxation	-	4,91,458
	-	4,91,458
Note 16		
OTHER CURRENT LIABILITIES		
Current		
Other Liabilities (Payroll Taxes)	55,843	44,947
Other Liabilities (Vat Duties)	3,27,522	6,14,563
	3,83,365	6,59,510



VEEDOL UK LTD

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Note 17		
REVENUE FROM OPERATIONS		
Sale of Goods	-	-
-from sale of products	-	-
Other than Related Parties	2,93,30,619	2,76,26,777
Related Parties	-	-
- Veedol International Limited	-	-
- Veedol International DMCC	3,93,344	3,21,912
- Veedol Deutschland GmbH	-	-
Revenue from Continuing Operations	2,97,29,963	2,79,48,689
Reconciliation of Revenue Recognised with Contract Price		
Contract Price	3,45,79,510	3,04,48,188
Less: Adjustments for Rebate Schemes and Discounts	48,49,547	24,99,499
Revenue from Continuing Operations	2,97,29,963	2,79,48,689
Note 18		
OTHER INCOME		
Other Non Operating Income		
Liabilities No Longer Required Written Back	-	45,944
Provision for Doubtful Debts Written Back	2,00,375	1,52,646
Net Gain on Disposal of Property Plant and Equipment	8,400	23,850
Miscellaneous Income	1,75,595	1,31,461
	3,90,370	3,53,921
Note 19		
COST OF MATERIALS CONSUMED		
Raw Materials (including Packing Materials)		
Opening Stock	20,53,153	6,22,771
Add: Purchased during the Year	-	29,633
From Related Parties	-	1,68,72,767
From Others	1,05,09,803	(20,53,153)
Less: Closing Stock	(19,16,568)	-
	1,66,46,188	1,54,72,018
Note 20		
PURCHASES OF STOCK IN TRADE		
Purchases of Stock in trade	6,28,192	4,08,692
	6,28,192	4,08,692
Note 21		
CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN TRADE		
Opening Stock		
Finished Goods	10,95,625	31,74,390
Stock-in Trade	2,01,594	-
Closing Stock		
Finished Goods	10,32,461	10,95,625
Stock-in Trade	2,66,700	2,01,595
	(1,942)	18,77,170
	(1,942)	18,77,170
Note 22		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	23,35,309	18,08,293
Contribution to Provident and Other Funds	49,238	37,115
Employee Retirement Benefits	2,50,828	2,07,243
Staff Welfare Expenses	24,204	24,266
	26,59,579	20,76,917
Note 23		
FINANCE COSTS		
Interest Expense on Financial Liabilities at Amortised Cost	-	-
Lease Liabilities (Refer Note 27)	101	905
Other Finance Cost	52,095	12,962
	52,196	13,867
Note 24		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Property, Plant and Equipment (Refer Note 3.1) #	4,52,952	3,63,541
Depreciation on on Right-of-Use Asset (Refer Note 3.2)	-	61,266
	4,52,952	4,44,807
Note : # For correction of error in accounting - prior year (Refer Note 37)		



VEEDOL UK LTD

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in GBP, unless otherwise stated)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Note 25		
OTHER EXPENSES		
Repairs- Buildings	23,155	4,078
Repairs- Machinery	3,30,728	2,93,812
Rates and Taxes	75,298	29,492
Consumption Of Stores and Spare Parts	12,409	9,217
Commission	4,98,121	4,48,431
Power and Fuel	1,62,248	83,695
Insurance	1,05,506	79,161
Freight and Cartage	11,54,167	9,59,057
Travelling and Conveyance	75,814	72,006
Advertising Expenses	38,707	20,628
Selling and Marketing Expenses	28,808	-
Provision For Doubtful Debts	1,78,536	64,225
Bad debt written off	2,06,375	49,546
Net Loss on Foreign Exchange Transactions and Translations	12,862	35,989
Royalty	-	-
- Veedol International Limited	34,203	35,343
- Others	38,093	37,670
Miscellaneous Expenses	3,52,131	2,85,521
Payment to Auditors	-	-
Audit Fees	34,264	59,482
	33,61,425	25,67,353
BREAK UP SHEET OF MISCELLANEOUS EXP		
Office Expenses	-	-
Printing and Stationery	4,146	4,665
Telephone / Fax Charges	3,456	3,817
Miscellaneous Expenses	6,961	3,664
Professional Charges	1,87,287	1,53,878
Subscription	16,002	18,721
Security Service Charges	3,256	4,284
ERP Expenses	51,692	58,054
Literature & Brochures	-	2,616
Exhibitions	38,701	-
Workwear	2,470	7,757
Recruitment	15,902	16,330
Bank Charges - DD/PO and others	22,258	11,735
	3,52,131	2,85,521



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND
FOR THE YEAR ENDED 31ST MARCH, 2024****Note 26:-Earnings per Equity Share**

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Basic		
i.Number of equity shares at the beginning of the year	37895	37895
ii.Number of equity shares at the end of the year	37895	37895
iii.Weighted average number of equity shares outstanding during the year	37895	37895
iv.Face value of each Equity share	1	1
v.Profit after Tax available for Equity shareholders	47,16,647	43,83,812
vi. Earning per Equity share	124.47	115.68
B. Diluted		
i. Dilutive potential Equity shares		
ii.Earnings per Equity Share	124.47	115.68



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024****Note 27****LEASES**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
The Company as Lessee		
The Company leases offices, . Rental contracts are typically made for fixed periods of 11 months to 3 years, but may have extension options as described below.		
(i) Amounts recognised in the Consolidated Statement of Profit and Loss		
Other Expenses		
Interest expense (included in finance costs) (Refer Note 23)	101	905
Expense relating to short-term leases (included in other expenses)	-	-
Expense relating to variable leases (included in other expenses)		
Total Cash Outflow for Leases (other than short term & variable leases) for the year ended 31ST MARCH, 2024 was Rs. 3429 GBP (Previous year: Rs. 41149 GBP).		
(ii) Extension and Termination options		
Extension and Termination options are included in a number of office and depot leases across the The Company. These are used to maximise operational flexibility in terms of managing the assets used in The Company's operations. The majority of extension and termination options held are exercisable on mutual consent between The Company and the respective lessor.		

Note 28**DEBT RECONCILIATION**

This section sets out an analysis of debt and the movements in debt during the year.

Particulars	Year ended 31ST MARCH, 2024	Year ended 31ST MARCH, 2023
Borrowings	-	
Lease Liabilities	-	3,429
Total	-	3,429



VEEDOL UK LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024**

Particulars	Year ended	Year ended
	31ST MARCH, 2024	31ST MARCH, 2023
Debt at the Beginning of the Year	3,429	13,76,830
Cash Flows (Net)	(3,429)	(13,73,401)
Lease Liabilities Recognised during the Year (Net of Termination, etc.)		
Interest Expense	52,196	13,867
Interest Paid	(52,196)	(13,867)
Debt at the End of the Year	-	3,429

Note 29

**RELATED PARTY
DISCLOSURES**

A. List of Related Parties

Name of Related Parties	Nature of Relationship
James Holland	Director
Gemma Holland	Wife of Director James Holland
Garry Holland	Father of Director James Holland

B. Particulars of Transactions with Related Parties (other than KMP) during the Year

Sl No.	Nature of Transactions	Year ended 31ST MARCH, 2024	Year ended 31STMARCH, 2023
		Other Related Parties	Other Related Parties
1	In respect of Marketing Services Gemma Holland	36,375	26,750
2	In respect of Consultancy Services Garry Holland	39,300	39,300



VEEDOL UK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

C. Transactions with Key Management Personnel during the Year and Balances Outstanding at Year-end

Particulars	Year Ended 31 st March 2024	Year Ended 31 st March 2023
Remuneration to Key Management Personnel		
Directors Remuneration-James Holland	156,500	125,250
Contribution to Defined Contribution Plans		
Directors Pension		
Contribution to money purchase schemes	4,688	3,555

Note 30

DISCLOSURES RELATED TO FINANCIAL INSTRUMENTS

Financial Instruments by Category

	Note No.	As at 31st March, 2024		As at 31st March, 2023	
		FVOCI	Amortised Cost	FVOCI	Amortised Cost
Financial Assets					
Trade Receivables	5		68,52,678		59,92,728
Cash and Cash Equivalents	6		8,34,047		8,07,916
Total Financial Assets		-	76,86,725	-	68,00,644
Financial Liabilities					
Lease Liabilities	11		-		3,429
Trade Payables	14		48,30,355		34,44,176
Other Financial Liabilities	12		1,89,000		1,64,000
Total Financial Liabilities		-	50,19,355	-	36,11,605



VEEDOL UK LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024**

The Company has made an irrevocable election at date of transition to recognise changes in fair value of investments in equity securities which are not held for trading through OCI rather than profit or loss as the management believes that presenting fair value gains and losses relating to these investments in the Statement of Profit and Loss may not be indicative of the performance of the Company.

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, The Company has classified its financial instruments into the three levels prescribed under Ind AS. An explanation of each level follows below.

Level 1

Quoted prices in an active market (level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Valuation techniques with observable inputs (level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

Valuation techniques with significant unobservable inputs (level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Holding Company's investments in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024****Note 31****FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimize effects of the above, various arrangements are entered into by the Company. The following table explains the sources of risk and how The Company manages the risk in its financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash Equivalents with Banks, Trade Receivables, Financial Assets measured at Amortised Cost	Ageing analysis and credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and Financial Liabilities	Cash flow forecasts	Credit facilities
Market Risk – Foreign Exchange	Recognised Financial Assets and Liabilities not denominated in Indian Rupee (INR)	Cash flow forecasts	Monitoring of currency movements
Market Risk – Interest Rate	Borrowings	Cash flow forecasts	Monitoring of interest rate movements

(A) Credit Risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash equivalents with banks, investments carried at amortised cost, deposit with banks as well as credit exposure to customers and other parties. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 30.

Customer credit risk is managed by The Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, trade receivables are backed by security deposits.

The Company uses specific identification method in determining the allowances for credit losses of trade receivables considering historical



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024**

credit loss experience and is adjusted for forward looking information. Receivables are deemed to be past due or impaired with reference to The Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions.

Credit risk from balances with banks, deposits, etc. is managed by The Company's finance department. Investments of surplus funds are made only with approved counterparties in accordance with The Company's policy. None of The Company's cash equivalents with banks, deposits, investments and other receivables were past due or impaired as at 31ST MARCH, 2024 and 31ST MARCH, 2023.

Reconciliation of provisions for doubtful debts has been provided as under:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Provision for Doubtful Debts as at the Beginning of the Year	64,225	1,52,646
Written Back during the Year	(2,06,375)	(1,52,646)
Provided during the year	178,536	64,225
 Provision for Doubtful Debts as at the End of the Year	 36,386	 64,225

(B) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent risk liquidity management implies maintaining sufficient cash and cash equivalents and the availability of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of The Company's liquidity position on the basis of expected cash flow. The Holding Company has access to the following undrawn borrowing facilities at the end of the reporting period:



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fund Based - Bank Overdraft, Cash Credit, etc.	20,00,000.00	20,00,000.00
Non Fund Based - Letter of Credit, Bank Guarantee, etc.		

The following table gives the contractual discounted cash flows following due within the time brackets as given below.

Maturity of Financial Liabilities as at 31st March 2024				
Contractual Maturities	Up to 1 Year	Between 1 to 3 Years	Above 3 Years	Total
Trade Payables	48,30,355			48,30,355
Borrowings	-	-		-
Lease Liabilities	-	-		-
Other Financial Liabilities	1,89,000			1,89,000
Total	50,19,355	-	-	50,19,355
Maturity of Financial Liabilities as at 31ST March, 2023:				
Contractual Maturities	Up to 1 Year	Between 1 to 3 Years	Above 3 Years	Total
Trade Payables	34,44,176			34,44,176
Borrowings	-			-
Lease Liabilities	3,429			3,429
Other Financial Liabilities	1,64,000			1,64,000
Total	36,11,605	-	-	36,11,605



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024****(C) Market Risk****(i) Foreign Currency Risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with regard to USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the entity's functional currency (GBP). As per the risk management policy, the gross currency movements are continually monitored. However, as the total exposure through currency risk directly is not material, generally forward contracts are not entered into on a regular basis.

(a) The Company's exposure to foreign currency risk (unhedged) at the end of the reporting year expressed in GBP:-

Particulars	As at 31ST MARCH, 2024			As at 31ST MARCH, 2023		
	USD	EURO	GBP	USD	EURO	GBP
Financial Assets:						
Cash and Cash Equivalents	116,310	391		57,597	569	
Trade Receivables		1,86,468				
Other Financial Assets						
Other Assets						
Financial Liabilities:						
Trade Payables	8496	764,703		77,840	933,142	
Net Exposure to Foreign Currency Risk (Assets - Liabilities)	107,814	(577,844)		(20,243)	(9,32,573)	

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to The Company's debt interest obligation. Further, The Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. The management also maintains a portfolio mix of floating and fixed rate debt.

The Company's fixed rate borrowings, lease liabilities and investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024****(a) Interest Rate Risk Exposure**

The exposure of the Company's debt (i.e. borrowings and lease liabilities) to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
Variable Rate Debt		
Fixed Rate Debt		3,429
Total Debt		3,429

As at the end of the reporting date, The Company had the following variable rate debt outstanding:

Particulars	As at 31ST MARCH, 2024			As at 31ST MARCH, 2023		
	Weighted Average Interest Rate (%)	Balance	% of Total Debt	Weighted Average Interest Rate (%)	Balance	% of Total Debt
Bank Overdraft	0.00%	-	NA	0.00%	-	NA

Note-32

The ageing of capital work in progress, trade receivable and trade payables of FY 2023-24 made as per revised Schedule III presentation as follows:-

AGEING OF CAPITAL WORK -IN-PROGRESS

Particulars	AMOUNTS IN CAPITAL WORK-IN-PROGRESS				
	As at 31st March 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,08,608				3,08,608
Total	3,08,608	-	-	-	3,08,608
Particulars	AMOUNTS IN CAPITAL WORK-IN-PROGRESS				
	As at 31st March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-				-
Total	-	-	-	-	-



VEEDOL UK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
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COMPLETION SCHEDULE FOR CAPITAL WORK-IN-PROGRESS WHOSE COMPLETION IS OVERDUE AS COMPARED TO ITS ORIGINAL PLAN					
Particulars	TO BE COMPLETED IN				
	As at 31st March 2024				
	Less than 1 year	1-2 year s	2-3 years	More than 3 years	Total
Projects in progress:					
Project A	8,340				8,340
Project B	120,330				120,330
Project C	179,938				179,938
Total	308,608	-	-	-	308,608
Particulars	TO BE COMPLETED IN				
	As at 31st March,2023				
	Less than 1 year	1-2 year s	2-3 years	More than 3 years	Total
Projects in progress:					
Project A					
Project B					
Total					

Ageing of Trade Receivables

Particulars	As at 31st March 2024								
	Outstanding for following periods from due date						Not yet due	Unbill ed Reven ue	Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Sub-Total			
Trade Receivables									
Undisputed – considered good	6,138	-				6,138	68,46,540		68,52,678
Undisputed – credit impaired	36,387					36,387			36,387
Total Trade Receivables	42,525				-	42,525	68,46,540	-	68,89,065



VEEDOL UK LTD
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024**

Particulars	As at 31st March 2023								
	Outstanding for following periods from due date						Not yet due	Unbilled Revenue	Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Sub-Total			
Trade Receivables									
Undisputed – considered good	17,500	-				17,500	59,75,228		59,92,728
Undisputed – credit impaired	50,651	13,574				64,225			64,225
Total Trade Receivables	68,151	13,574	-	-	-	81,725	59,75,228	-	60,56,953

Ageing of Trade Payables

Particulars	As at 31st March 2024							
	Outstanding for following periods from due date					Not Yet Due	Unbilled Trade Payable	Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Sub-Total			
Trade payables								
Undisputed dues - Others	4,041				4,041	38,97,636	9,28,678	48,30,355
Total Trade Payable	4,041	-	-	-	4,041	38,97,636	9,28,678	48,30,355

Particulars	As at 31st March 2023							
	Outstanding for following periods from due date					Not Yet Due	Unbilled Trade Payable	Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Sub-Total			
Trade payables								
Undisputed dues - Others	17,852				17,852	27,68,005	6,58,319	34,44,176
Total Trade Payable	17,852	-	-	-	17,852	27,68,005	6,58,319	34,44,176



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024****Note-33****CAPITAL MANAGEMENT****(A) Risk Management**

The Company's objectives when managing capital are to:

- (a) Safeguard their ability to continue as a going concern
- (b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

No changes were made to the objectives, policies or processes for managing capital during the years ended 31ST MARCH, 2023 .

(B) Dividends on Equity Shares

Particulars	Year ended 31ST MARCH, 2024	Year ended 31ST MARCH, 2023
<u>Dividend Declared and Paid during the Year</u>		
Final dividend for the year ended 31 st March 2023 of GBP 26/- per fully paid share with face value of GBP1/- each (31 st March 2022 of GBP 8/- per fully paid share of GBP 1/- each)	985,270	3,03,160
Interim dividends for the year ended 31 st March 2024 of GBP 31.40 per fully paid share with face value of GBP 1/- each (31 st March 2023 GBP 39 per share with face value of GBP 1/- each)	11,89,903	14,77,905
<u>Proposed Dividend not Recognised as at the reporting date</u>		
In addition to the above dividend, since year-end the Board of Directors of the Company at its meeting held on 30 th April, 2024 has recommended the payment of a final dividend of GBP 33 per fully paid share with face value of GBP 1/- each (Previous Year: GBP 26/- per fully paid share with face value of GBP 1/- each). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	12,50,535	985,270



VEEDOL UK LTD
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024**
NOTE 34

Income Tax Expenses		
Particulars	Mar-24	Mar-23
	£	£
Profit Per Management Accounts	63,21,746	55,20,594
Add Back :		
Depreciation	4,52,951	4,53,606
Less:		
Profit on Assets on disposal	(8,400)	(23,850)
Structures Buildings Allowance	(1,00,379)	(63,469)
Special Rate Pool	(2,603)	(3,362)
General Pool	(19,024)	(16,498)
Annual Investment Allowance	(1,55,396)	(9,11,975)
Taxable Profit	64,88,895	49,55,046
Taxable at 25%	16,22,224	9,41,459
Deferred Tax Calculation		
NBV of Assets Per Accounts	60,30,375	39,11,786
Less NBV of non-qualifying assets	(50,18,963)	(28,37,423)
NBV of qualifying assets	10,11,412	10,74,363
Tax WDV of qualifying assets	1,33,380	1,27,819
Excess of NBV over WDV	8,78,032	9,46,544
Taxable at 25%	2,19,508	2,36,636
Deferred Tax charge	(17,128)	1,16,515



VEEDOL UK LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31ST MARCH, 2024****Note 35****SEGMENT INFORMATION-**

The group's reportable business segment consists of a single segment of automotive products in terms of Ind AS 108.

Entity wide disclosures

- (1) The group is domiciled in the United Kingdom.
- (2) The amount of its revenue from external customers broken down by the location of the customers is shown below :

Particulars	Year ended 31st March,2024	Year ended 31st March,2023
UK	2,61,59,406	2,46,97,543
Europe	17,98,543	11,52,743
Rest of the world	17,72,014	20,98,403
Total	2,97,29,963	2,79,48,689

Note 36**CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

The group does not have any Contingent Liabilities, but it has Capital Commitments amounting GBP 967,911 as on 31st March,2024 (previous year :Nil).



VEEDOL UK LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND
FOR THE YEAR ENDED 31ST MARCH, 2024**

Note 37

CORRECTION OF ERROR IN ACCOUNTING-PRIOR YEAR

In the past, land has been depreciated. Land and buildings are now shown separately (refer Note 3.1). In the current year, management has corrected the error in accounting treatment for depreciation of land by adjusting the opening balance of retained earnings for the earliest prior period presented. Accordingly, the depreciation on land amounting GBP 70,033 has been rectified by adjusting the retained earnings as on April 1, 2022 (Note 10), with corresponding impact on accumulated depreciation as on April 1, 2022 and depreciation for the financial year 2022-23 has been reduced by GBP 8,800. Such adjustments has no retrospective tax implications.

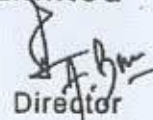
**For L B Jha & Co.
Chartered Accountants
FRN: 301088E**



**D. N. Roy, FCA
Partner
M.No.: 300389
UDIN:**



**For and On behalf of Board of Directors of
Veedol UK Ltd
Veedol UK Limited**


Director

Director

**Place: Kolkata
Date: 30.04.2024**