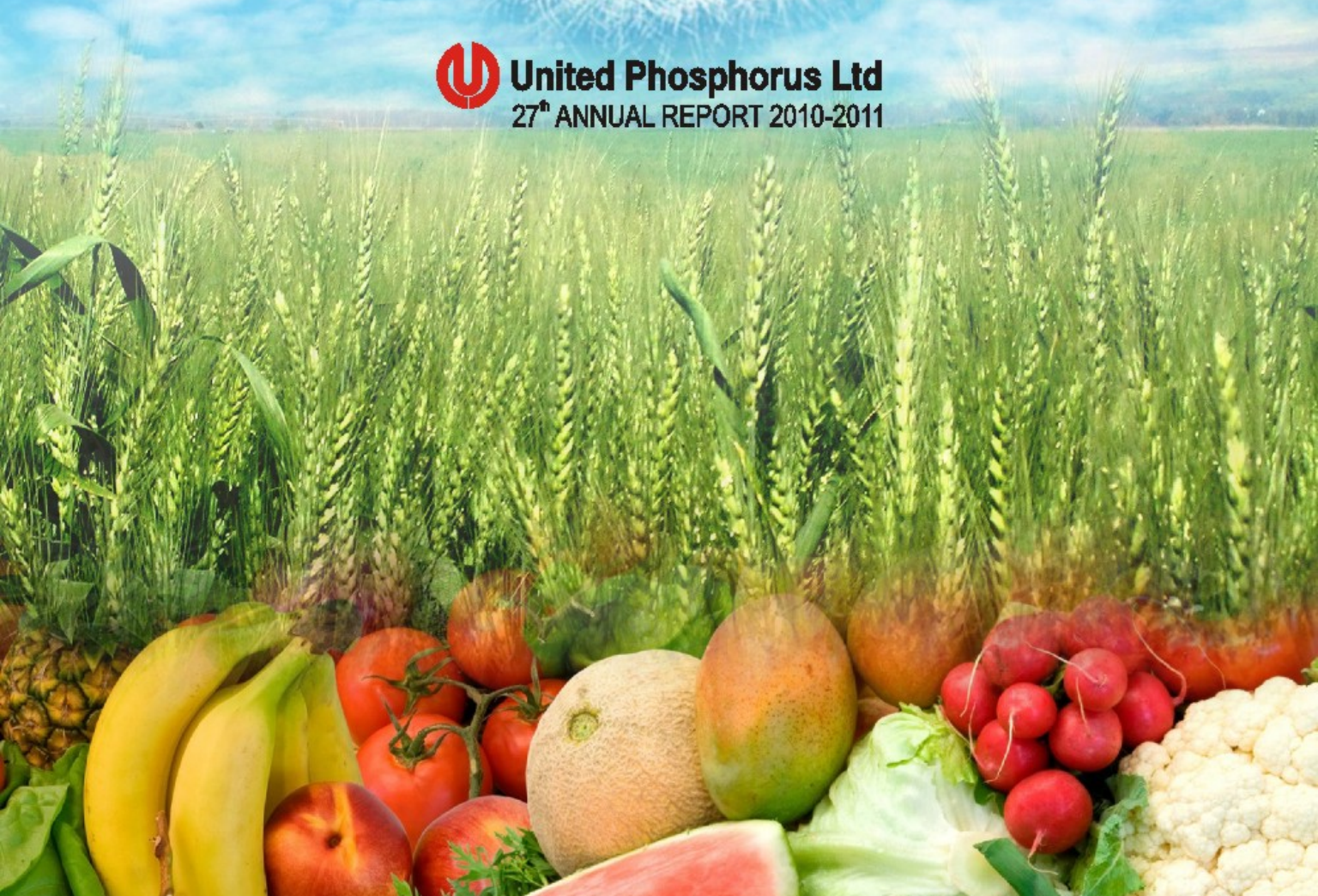
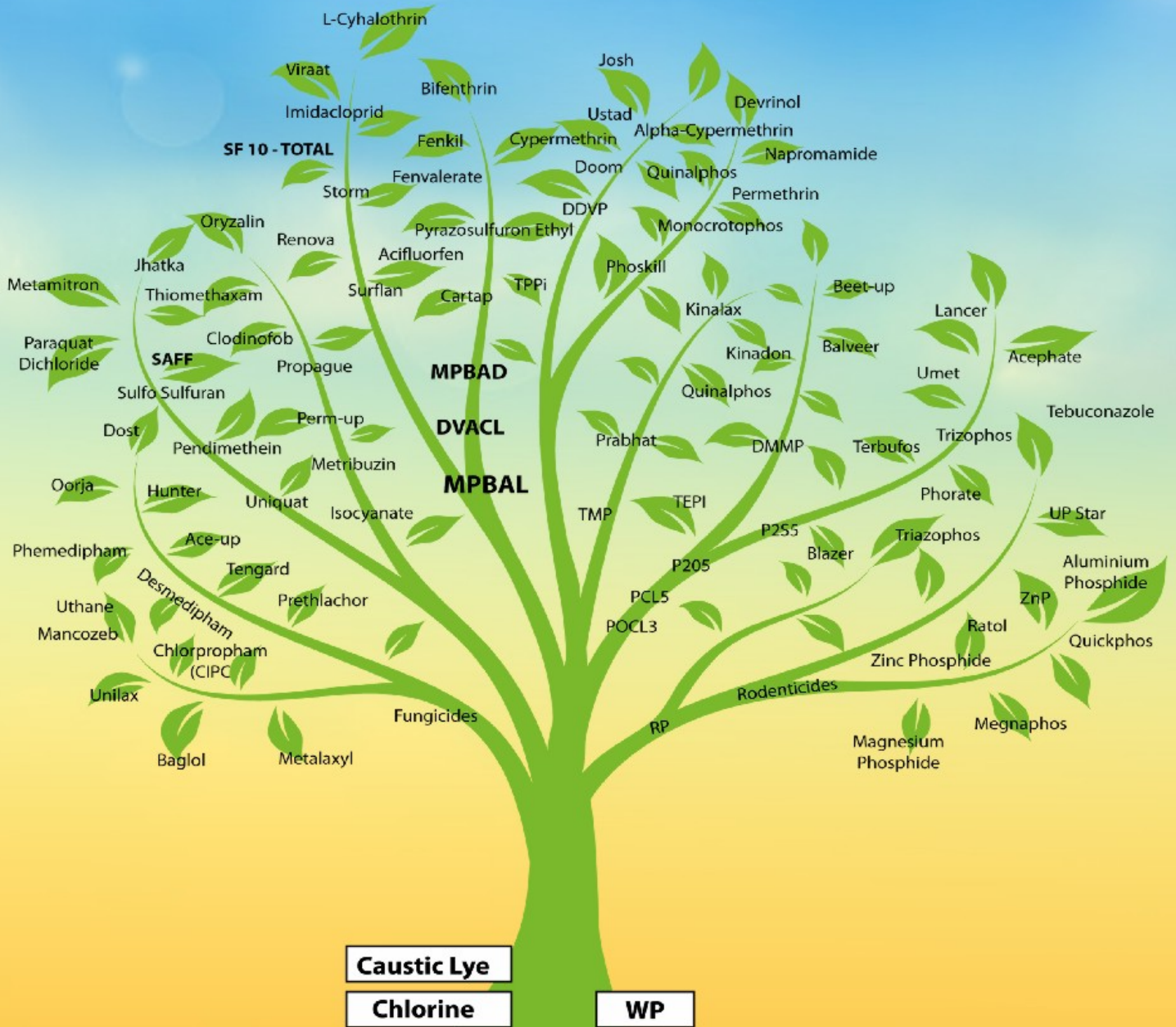




United Phosphorus Ltd
27th ANNUAL REPORT 2010-2011



UPL PRODUCT PORTFOLIO



CAPTIVE POWER PLANT



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27th ANNUAL GENERAL MEETING

Date : 26th July, 2011

Day : Tuesday

Time : 10.00 a. m.

Place : Hotel Green View Hall,
National Highway No.8,
G.I.D.C., Vapi, Dist. Valsad,
Gujarat – 396 195.

For assistance regarding share transfers, transmission, change of address, duplicate/loss of shares and other related matters, please write to the Registrar & Share Transfer Agent

Sharepro Services(India) Pvt. Ltd.
Unit : United Phosphorus Limited
13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road,
Sakinaka, Andheri (E),
Mumbai 400 072.
Phone No(s) : 91-022-67720300/344/345
Fax No : 91-022-2859 1568

BOOK CLOSURE

Saturday, 16th July, 2011
to
Tuesday, 26th July, 2011

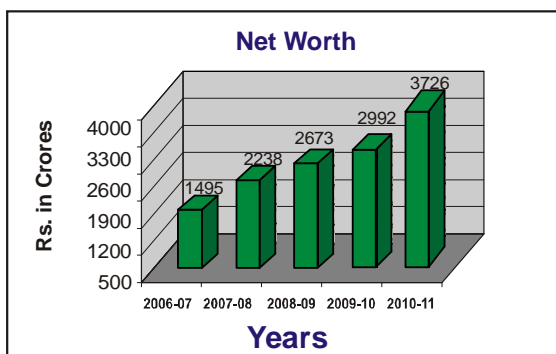
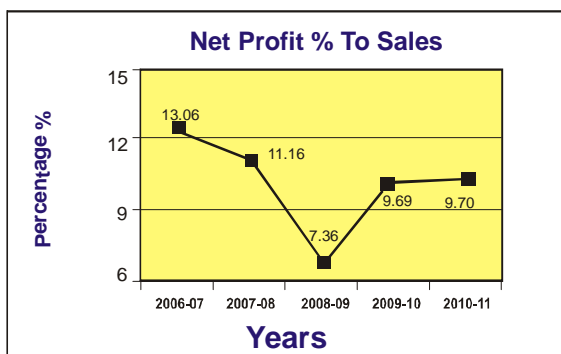
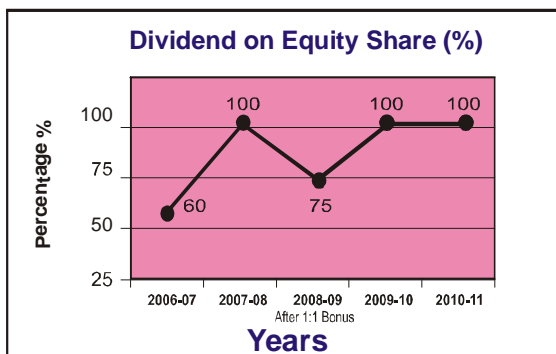
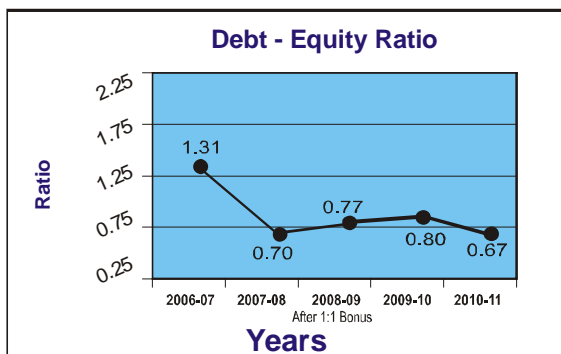
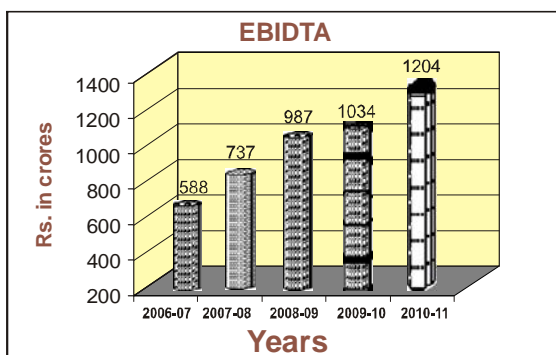
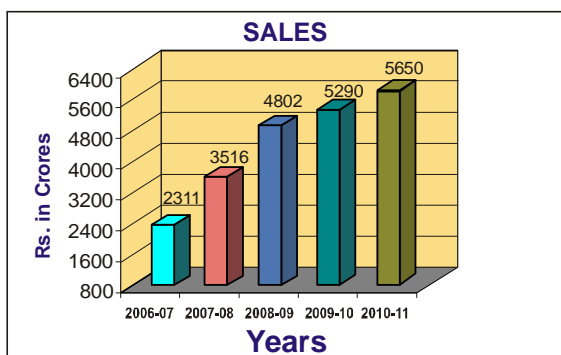


CONSOLIDATED FINANCIAL HIGHLIGHTS AT A GLANCE FOR LAST FIVE YEARS

(₹ in Crores)

Accounting Year	2006-07	2007-08	2008-09	2009-10	2010-11
Sales	2311	3516	4802	5290	5650
Total Income	2471	3762	4974	5493	5898
Earnings before Depreciation, Interest, Amortisation and Tax (EBDITA)	588	737	987	1034	1204
Profit after tax & minority interest	258	258	456	526	558
Gross Fixed Assets	2223	2497	2742	2737	2905
Net Fixed Assets	1092	1280	1507	1508	1594
Net worth	1495	2238	2673	2992	3726
Earning per share ₹	13.04	11.64	9.88*	11.40	12.45
Book Value per share ₹	79.71	101.87	60.81*	68.06	80.68
Debt Equity Ratio	1.31:1	0.70:1	0.77:1*	0.80:1	0.67:1
Net Profit/Sales (%)	11.16	7.36	9.69	9.70	10.46
Dividend on Equity Shares (%)	60	100	75*	100	100
Return on Net worth (%)	17.26	11.57	17.40*	17.15	15.86

* After 1:1 Bonus



BOARD OF DIRECTORS

MR. R. D. SHROFF	- Chairman & Managing Director
MRS. S. R. SHROFF	- Vice Chairman
MR. J. R. SHROFF	- Global CEO of the Group
MR. V. R. SHROFF	- Executive Director
MR. A. C. ASHAR	- Director – Finance
MR. K. BANERJEE	- Whole - time Director
MR. PRADEEP GOYAL	
DR. P. V. KRISHNA	
DR. (MRS) R. RAMACHANDRAN	
MR. PRADIP MADHAVJI	
MR. VINOD SETHI	
MR. CHIRAYU R. AMIN	

COMPANY SECRETARY

MR. M. B. TRIVEDI

AUDITORS

S. V. GHATALIA & ASSOCIATES
Chartered Accountants

BANKERS

Dena Bank
Bank of Baroda
State Bank of India
Union Bank of India
Canara Bank
IDBI Bank Ltd.
The Karur Vysya Bank Ltd.
Axis Bank Ltd.
Andhra Bank
State Bank of Hyderabad
Export-Import Bank of India
ICICI Bank Ltd.
ING Vysya Bank Ltd.

ADMINISTRATIVE OFFICE

Uniphos House, C.D.Marg,
Khar (West), Mumbai- 400 052
Tel.: 2646 8000 Fax: 2604 1010

REGISTERED OFFICE

3-11, G.I.D.C., Vapi,
Dist. : Valsad, Gujarat-396 195.
Tel.: 0260-2400717 Fax: 0260-2401823

SECRETARIAL DEPARTMENT

8, Shri Krishna Commercial Centre,
Ground Floor, Opp. Raheja Solitaire,
6, Udyog Nagar, Off S. V. Road,
Goregaon (West), Mumbai- 400 062.
Tel.: 2872 4862 Fax: 2875 3485



NOTICE

NOTICE is hereby given that **27th ANNUAL GENERAL MEETING** of the Members of **UNITED PHOSPHORUS LIMITED** will be held on Tuesday, 26th July, 2011 at 10.00 a. m. at Hotel Green View Hall, National Highway No. 8, G.I.D.C., Vapi, Gujarat - 396 195, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. J. R. Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. P. V. Krishna, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Pradeep Goyal, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mrs. S. R. Shroff, who retires by rotation and being eligible, offers herself for re-appointment.
7. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the reappointment of Mr. Vikram R. Shroff, as Executive Director for a period of 5 (five) years with effect from 1st May, 2011, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Vikram R. Shroff, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said reappointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Vikram R. Shroff.

RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, the said Mr. Vikram R. Shroff shall be paid the aforementioned remuneration as minimum remuneration subject however to the limits prescribed under the said Schedule XIII or any modifications thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to Section 31, and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), the Articles of the Company be and are hereby altered by inserting the following new Articles after the existing Article 3
3A. Subject to the provisions of section 77A of the Act and all other applicable provisions of law and rules and regulations as may be in force at any time and from time to time, the Company may acquire, purchase, hold, resell any of its own fully/ partly paid shares and may make payment out of funds at its disposal for and in respect of such acquisition/ purchase on such terms and conditions and at such times as the Board may in its discretion decide and deem fit.
3B. Subject to the provisions of section 86 (a) (ii) of the Act and all other applicable provisions of law and in accordance with Companies (Issue of Share Capital with differential voting rights) Rules, 2001 and any other Rules and regulations as may be in force from time to time, and necessary approval from members, the Company may issue equity shares with differential voting rights as to dividend, voting or otherwise on such terms and conditions and at such times as the Board may in its discretion decide and deem fit.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.** The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of 27th Annual General Meeting.
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. The Register of Members and The Share Transfer Books of the Company will remain closed from Saturday, 16th July, 2011 to Tuesday, 26th July, 2011 (both days inclusive).

27th Annual Report 2010-2011

5. The Members are requested to kindly send all their correspondence relating to the change of address, transfer of shares, etc. directly to the Company's Registrar & Transfer Agents – Sharepro Services (India) Pvt. Ltd., Unit : United Phosphorus Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072, quoting their Folio Number and in case their shares are held in dematerialised form, the intimation of change of address should be passed on to their respective Depository Participants.
6. Payment of dividend as recommended by the Directors, if declared at the Meeting, will be made on or after 1st August, 2011 to the Members whose names stand in the Company's Register of Members on 26th July, 2011 and to the Beneficiary Holders as per the Beneficiary List provided for the purpose by the National Securities Depository Limited and Central Depository Services (India) Limited.
7. Members seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. Pursuant to the provisions of Section 205A of the Companies Act, 1956, unclaimed dividend for the financial year 1994-95 has been transferred to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Members who have not encashed the Dividend Warrants pertaining to the said period may make their claims to the Registrar of Companies, Gujarat, Ahmedabad by submitting an application in prescribed form.
9. There is no outstanding unclaimed dividend for the year 1995-96.
10. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, as amended-
 - (a) Dividend for the year 1996-97 which remained unclaimed for a period of seven years from the date of transfer of same to the unpaid dividend account of the Company have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
 - (b) Dividend for the years 2003-04 to 2009-10 which remain unclaimed for a period of seven years from the date of transfer of same to the unpaid dividend account of the Company will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.Members who have not so far encashed the Dividend Warrant(s) are requested to make their claims to the Company immediately. **It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, no claim shall lie, against the Company or the said fund, in respect thereof.**
11. Additional information on Directors being appointed / re-appointed as required under Clause 49(VI) of the listing agreement with the Stock Exchanges:

At the ensuing Annual General Meeting, Mr. J. R. Shroff, Dr. P. V. Krishna, Mr. Pradeep Goyal and Mrs. S. R. Shroff, Directors, retire by rotation and being eligible offer themselves for reappointment. In pursuance of Corporate Governance code, information of the aforesaid Directors is provided hereunder:

 - (a) Mr. J. R. Shroff is the Director of the Company since 1st October, 1992 and is a science graduate. He has worked with the Group for more than 18 years. He has substantial experience in various areas of the Group's operations. He is also a Director on the Board of various other public limited companies, viz. Uniphos Enterprises Ltd., Enviro Technology Ltd., Nivi Trading Ltd., Ventura Guaranty Ltd., Advanta India Ltd., Bharuch Enviro Infrastructure Ltd., Tatva Global Environment Ltd., Tatva Global Environment (Deonar) Ltd., Shivalik Solid Waste Management Ltd., UPL Environmental Engineers Ltd., Nirlon Ltd., Latur Water Supply Management Co. Ltd., Sharvak Environment Ltd. and Entrust Environment Ltd.
 - (b) Dr. P. V. Krishna is the Director of the Company since 31st January, 2002. He is a member of the Audit Committee, Shareholders/Investors Grievance Committee and Remuneration Committee. He is Ph.D.(Tech.). He is a Chemical technologist with specialization in chemicals and petrochemicals. He has over 40 years experience in Research & Development and industry and held various positions in Government of Gujarat and Government of India. He is presently a Project Consultant for Chemicals, Petro Chemicals, Safety Management and Environment Planning. He has got an excellent technical background. He is also a Director on the Board of Suvikas People's Co-operative Bank Ltd.
 - (c) Mr. Pradeep Goyal is the Director of the Company since 29th March, 2001. He is a Metallurgy Engineer from IIT and Master Graduate from MIT, USA. He has been the member of various associations such as All India Manufacturers Organisation, ASSOCHAM, Indo-German Chambers of Commerce, etc. He has authored a few articles relating to steel making. He is the Managing Director of Pradeep Metals Ltd. He is also on the Board of Uniphos Enterprises Ltd., Hind Rectifiers Ltd., Entegra Ltd. and Jankalyan Sahakari Bank Ltd.
 - (d) Mrs. S. R. Shroff is the Director of the Company since 1st October, 1992. She has been associated with Uniphos Enterprises Ltd. (erstwhile United Phosphorus Ltd.) since its inception. She has held various important positions in commercial, educational and social fields. She is on the Board of Uniphos Enterprises Ltd., Uniphos Agro Industries Ltd., Enviro Technology Ltd., Nivi Trading Ltd., Shroff United Chemicals Ltd., Bharuch Enviro Infrastructure Ltd., Vapi Waste and Effluent Management Co. Ltd., Ventura Guaranty Ltd. and UPL Environmental Engineers Ltd.

Mumbai: 29th April, 2011

Registered Office :
3-11, G.I.D.C., Vapi,
Dist. Valsad,
Pin - 396 195.

By Order of the Board of Directors

M. B. TRIVEDI
Company Secretary



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

The Explanatory Statement for Item Nos. 8 and 9 of the accompanying Notice set out hereinabove is as under:

Item No. 8

Subject to shareholders' approval, the Board of Directors of the Company, at its meeting held on 29th April, 2011, have re-appointed Mr. Vikram R. Shroff as Executive Director for a period of 5 years commencing from 1st May, 2011 on the terms and conditions as stated in the draft of agreement to be entered into by the Company with Mr. Vikram R. Shroff. The Remuneration Committee of the Board of Directors has approved the remuneration in respect of the above Director.

The broad particulars of remuneration payable to and the terms of the reappointment of Mr. Vikram R. Shroff during the tenure of his reappointment are as under:

- a) **Salary:**
₹21,00,000/- per month with powers to the Board of Directors (which includes any Committee thereof) to grant such increments as they may in their absolute discretion think fit.
- b) **Commission:**
Such amount of Commission not exceeding 1% (one percent) of net profits of the Company, to the appointee, as may be decided by the Board of Directors for each financial year.
- c) **Perquisites:**
Perquisites as follows shall be allowed in addition to the salary and commission to the appointee. The perquisites will be evaluated on the basis of the cost to the Company or as provided in the Income-tax Act 1961 or rules framed thereunder, as may be applicable:
 - (i) **Housing:**
 - (a) If residential accommodation is provided in a company owned house, then a deduction by way of rent at 15% of the salary of the appointee shall be made;
 - (b) If the Company hires residential accommodation for the appointee, then a deduction by way of rent, at actual rent paid or 15% of the salary of appointee, whichever is lower, shall be made;
 - (c) If the company does not provide residential accommodation to the appointee, the appointee shall be paid such house rent allowance not exceeding 60% of his salary as the Board may decide;
 - (ii) The expenditure incurred by the appointee on Gas, Electricity, Water and Furnishing shall be reimbursed by the Company as per Income-tax Rules, 1962, and the same shall not exceed 10% of the salary of the Appointee;
 - (iii) Reimbursement of all Medical expenses actually incurred for self and family;
 - (iv) Leave travel concession for self and family once in a year in accordance with the rules of the company;
 - (v) Fees of clubs subject to a maximum of two clubs. However, life membership and admission fees shall not be paid by the Company;
 - (vi) Personal Accident Insurance of an amount, the annual premium of which shall not exceed ₹4,000/-;
 - (vii) Contribution towards Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company;
 - (viii) Gratuity payable at the rate of half a month's salary for each completed year of service, and the same will not be included in perquisites;
 - (ix) Cars with driver shall be provided for use on company's business and the same will not be considered as perquisites; use of car for private purposes shall however, be billed by the Company;
 - (x) Telephones at residence will be provided and the same will not be considered as perquisite but personal long distance calls shall be billed by the Company;
 - (xi) Actual Entertainment expenses incurred for the business of the Company will be reimbursed;
 - (xii) Even if in any financial year, the Company has no profits or profits are inadequate, the aforesaid salary and perquisites will be payable as minimum remuneration.

The draft agreement to be entered into between the Company and Mr. Vikram R. Shroff incorporating the above particulars of remuneration is available for inspection by the Members of the Company at the Registered Office of the Company on all working days (except Saturdays), up to the date of the 27th Annual General Meeting between 11.00 a.m. and 1.00 p.m.

The above may be treated as an abstract of the terms of the contract/agreement proposed to be entered into between the Company and Mr. Vikram R. Shroff pursuant to Section 302 of the Companies, Act, 1956.

Mr. Vikram R. Shroff is interested in the resolution which pertain to his reappointment and remuneration payable to him. Further, Mr. Rajju D. Shroff, Mrs. S. R. Shroff and Mr. J. R. Shroff may also be deemed to be interested in the resolution pertaining to the reappointment and remuneration payable to Mr. Vikram R. Shroff as they are related to each other. Save and except the above, none of the other Directors of the company is, in any way, concerned or interested in the said resolution.

Your Directors commend the resolution at Item No. 8 of the Notice for approval.

Item No. 9

It is proposed to add new Articles 3A. and 3B. respectively after the existing Article 3 to enable the Company to purchase any of its own shares and to issue of shares with differential voting rights respectively, in accordance with the provisions of the Companies Act, 1956 and the Rules, if any, applicable for the same. The resolution confers authority on the Board of Directors for the purpose.

As per the provisions of Section 31 of the Companies Act, 1956, a company may by a special resolution alter its Articles of Association. The Directors recommend the resolution for approval of the shareholders.

A copy of the Articles of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company during office hours on all working days except Saturday between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

None of the Directors of the Company is in any way concerned or interested in the resolution.

By the Order of the Board of Directors
For UNITED PHOSPHORUS LIMITED

M.B. TRIVEDI
COMPANY SECRETARY

Registered Office:
3-11, G.I.D.C., Vapi,
Gujarat - 396 195.
Dated: 29th April, 2011.

DIRECTORS' REPORT

TO,
THE MEMBERS OF
UNITED PHOSPHORUS LIMITED

Your Directors have pleasure in presenting their report and audited accounts for the year ended on 31st March, 2011.

FINANCIAL RESULTS:

	Consolidated		Stand Alone	
	Current Year	Previous Year	Current Year	Previous Year
Sale of Products (net of excise and rebate and discounts) and other income from operations.	589817	549279	306468	262734
Profit before depreciation, interest and amortization of Deferred revenue expenses and Minority Interest	120424	103389	61855	44895
Depreciation / Amortisation	21380	21470	11468	10791
Interest	31200	19379	29364	9264
Exceptional Items	1400	2670	-	-
Minority Interest	1036	593	-	-
Profit Before Tax	65408	59277	21023	24840
Provisions for Taxation:				
Current Tax	9597	3720	5880	4420
MAT Credit Entitlement	-	-	-	(2277)
Deferred Tax	(1496)	4415	(631.00)	4568
Tax effect of earlier years	(793)	401	24	-
	7308	8536	5273	6711
Profit After Tax	58100	50741	15750	18129
Share of Profit in Associates	(1417)	1875	-	-
	56683	52616	15750	18129
Prior Period Adjustments (Net)	921			
Debenture Redemption Reserve (Net of write back)	(23843)	3601	-	-
	(22922)	3601	0	0
	79605	49015	15750	18129
Balance Brought Forward	123693	86929	2340	63
Amount available for Appropriations	203298	135944	18090	18192
APPROPRIATIONS:				
Debenture Redemption Reserve written back			30448	4402
Final Equity Dividend	9261	8791	9261	8791
Tax on Distributed Profits	1502	1460	1502	1460
Debenture Redemption Reserve (Net of write back)			6605	8003
Transfer to General Reserve	27500	2000	27500	2000
	38263	12251	44868	20254
Balance Carried Forward	165035	123693	3670	2340

OPERATIONAL PERFORMANCE:

During the year, India received very good monsoon. The La Nina effect leading to high precipitation resulted in bountiful rains throughout the country. Many crops recorded higher production this year. There was bumper harvest in both kharif and rabi seasons. Prices of most of the inputs also stabilized during the year. All these factors led to overall improvement in the economy of the country. The GDP growth was also higher.

Barring a few countries like Argentina, the rains were good and fairly widespread in most of the countries around the world. However, there were political upheavals and public uprising which saw end of dynasty rule in countries like Tunisia, Egypt, Libya, etc. Japan suffered national calamities like earthquake, tsunami and nuclear leaks. It led to high crude oil prices which affected the economies of all countries. Fears of inflation are looming large. Economies of some of the European nations continued to remain sluggish.



On the back of good monsoon, the sale of agrochemicals in India in the first half of the year were higher. However, contrary to the expectations, the sales in second half were not so encouraging. On international front, the company did very good business in Latin American market. The sales of company's agrochemicals in these parts were high and in future also, the sales of agrochemicals in the Latin American countries will go up.

Total net sales for the year were higher at ₹2809.14 crores as against ₹2453.39 crores. Profit before Taxes were at ₹210.23 crores as against ₹248.40 crores last year.

FUTURE OUTLOOK:

For the year 2011-12, normal monsoons are predicted in India. This should result in higher sales and improved profitability. Further, economic situation in USA and many countries in Europe are showing distinct signs of recovery. This will positively affect the performance of agrochemical industry. With the population in India going up, food production has to go up which can be possible only by increased and regulated usage of agrochemicals. In the recent Union Budget, greater thrust is provided on agriculture, infrastructure and education. This will also help the Company to have better performance in the coming years.

DIVIDEND:

Your Directors have recommended dividend of ₹2/- per Equity Share of ₹2/- each for the financial year ended 31st March, 2011, which if approved at the forthcoming Annual General Meeting, will be paid to all those Equity Shareholders of the Company whose names appear in the Register of Members as on 26th July, 2011 and whose names appear as beneficial owners as per beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited.

FINANCE:

During the year, the Company has raised funds of ₹600 crores by issue of unsecured Redeemable Non-convertible Debentures.

FIXED DEPOSITS:

The Company has not accepted fixed deposits during the year. There are no fixed deposits outstanding as at 31st March, 2011.

RECENT ACQUISITIONS:

During the year, the Company made following acquisitions:

- a) Global non-mixture Mancozeb fungicide business and related assets from DuPont, including existing inventory, manufacturing and formulation production facilities in Barranquilla, Colombia. This includes rights to registered brands for non-mixture mancozeb products, trademarks, as well as registrations and supporting regulatory data for those products, which include Manzate® brand fungicides. Mancozeb is a leading fungicide and this acquisition will also help the Company in strengthening its position in the high growth emerging markets including South and Central America. This purchase will enhance the Company's position in the EBDC (Ethylene Bis Dithio Carbamates) segment.
- b) RiceCo LLC, USA along with its subsidiaries and certain assets of the international business of its Affiliate Company. RiceCo does business in more than 20 countries with major markets in the US and other countries like Mexico, Thailand, Nigeria and Sri Lanka. RiceCo mainly caters to the rice market and has a wide range of product offerings based on the herbicide Propanil for this segment. Propanil is a herbicide used for the control of many important annual grasses, broadleaf and sedge weeds in rice. RiceCo will add strong brands for the rice segment to the Company's branded product portfolio.
- c) One-half of stake in Sipcam Isagro Brasil (SIB), a company in Brazil. This company is a niche local producer and distributor in the Brazilian agrochemicals market. It has a formulation plant in Brazil. This acquisition will help the Company to enter direct distribution business in Brazilian market for its products and help to target untapped markets.

RESEARCH AND DEVELOPMENT:

Research and Development has been given the highest priority in company's business plan. Company's research laboratories at Ankleshwar, Thane and Vapi have been upgraded by adding new equipment and instruments.

In pursuit of introducing new products in the market, R&D has focused on the development of process technologies for the fungicides, herbicides and insecticides. Efforts have also been focused on developing new safer and eco-friendly formulations for better efficacy and improved value for the farmers.

R&D has worked relentlessly in the quality improvement, cost reduction, batch cycle time and waste reduction of our existing products.

Various regulatory data generation and submission of registration dossiers have been also done by R&D during the year.

CORPORATE SOCIAL RESPONSIBILITY:

As a responsible corporate citizen, the Company is carrying out many social activities in diverse fields. In respect of education, it has set up schools and colleges in Vapi, Ankleshwar, Sivakasi, etc. It is also providing monetary help to other schools and colleges situated near the factories of the Company. The Company has also set up post graduation higher study education institutions at Vapi and Ankleshwar. At Vapi, management and nursing colleges are set up. At Ankleshwar, new chemical engineering college is coming up.

In the fields of health and medicine, the Company along with Rotary club has started state of art hospital at Vapi with the latest modern equipments. At Ankleshwar, the Company is helping the nursing homes and hospitals.

Environment and pollution control is a priority issue for the Company. The Company's factories are located in chemical zones at Vapi and Ankleshwar. Senior management of the Company including the Chairman and Vice-Chairman are actively involved in effluent treatment companies in Vapi and Ankleshwar. With significant efforts of these officials in the areas of pollution control, Vapi has been removed from the list of critically polluted areas.

The Company is spending lot of money to help the small and medium scale units in managing their effluents by developing sophisticated COD measuring instruments. At Ankleshwar, the Company has helped in setting up a state of art solid waste landfill site which is considered to be the best in the country. For outstanding research and development work on pollution control and environment protection, the Chairman has been awarded by the Department of Science and Research (DSIR).

Various other initiatives which will help people and improve their life-style are supported and encouraged by the Company. This includes building gardens, parks and temples, providing rural electrification and tubewells, etc.

SUBSIDIARY COMPANIES:

In pursuance of Circular no. 2/2011 dated 8th January, 2011 issued by Ministry of Corporate Affairs, the Company has attached the consolidated financial statements of the Company and its subsidiaries. The same are prepared in compliance with the Accounting Standard-21.

The annual accounts of the subsidiary companies and related detailed information shall be made available to the shareholders of the Company and its subsidiaries on request. They are also available for inspection by the members at the Company's registered office and administrative office.

In spite of the economies of many countries were under pressure, all the subsidiary companies of your Company have performed reasonably well. Subsidiaries in U. S. A., U.K., Cerexagri group of companies, Argentina, Australia and Japan have done good business.

INSURANCE:

All the properties and operations of the Company have been adequately insured.

AUDITORS AND AUDITORS REPORT:

M/s S. V. Ghatalia & Associates, Chartered Accountants, the statutory auditors are retiring at the ensuing Annual General Meeting and being eligible for re-appointment have expressed their willingness to continue, if re-appointed. Your Directors recommend their appointment as the Statutory Auditors and fix their remuneration for the year 2011-12.

The auditors, without qualifying their Report have drawn attention of members that as per the Court order and the legal advice obtained by the company, the company has not adjusted tax benefit in respect of the amortization of the Product Registrations and Product acquisition to the reserves. In this regard, your attention is invited to Note No.14 in schedule 'T' which is self-explanatory. The other notes to the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

In respect of consolidated accounts, the auditors have qualified their report for non-inclusion of accounts of certain subsidiaries, joint ventures and associated companies, and non disclosure of segment reporting. In this regard, your attention is invited to Notes 1(b) and 18 of schedule 'S' of the consolidated accounts which are self-explanatory.

COST AUDIT:

The Board of Directors appointed M/s. M.B. Ashtamkar, Cost Accountant, Mumbai as Cost Auditor of the Company for conducting audit of the cost accounts maintained by the Company in respect of the insecticides for the year 2011-12. They have submitted a certificate of their eligibility for such appointment. For the year 2009-10, they have filed their Cost Audit Report on 25th September, 2010. The due date for filing the same was 30th September, 2010.

DEPOSITORY SYSTEM:

97.98% of the total paid up equity shares of the Company are dematerialized as on 31st March, 2011.



DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. J. R. Shroff, Dr. P. V. Krishna, Mr. Pradeep Goyal and Mrs. S. R. Shroff, Directors of the Company, retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible offer themselves for re-appointment.

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the brief resume of Mr. J. R. Shroff, Dr. P. V. Krishna, Mr. Pradeep Goyal and Mrs. S. R. Shroff, Directors of the Company are provided in the notice convening the Annual General Meeting of the Company.

PERSONNEL:

The relationship with all employees and workers at all sites of the Company remained very cordial throughout the year. Your Directors would like to place their appreciation for the contribution made by all the employees of the Company.

SAFETY, HEALTH PERFORMANCE AND ENVIRONMENT:

The Company ensures that compliance to statutory safety regulations is fully met with the management support to manufacturing units. The Company has implemented various codes of practices under Responsible Care program, an initiative of Indian Chemical Council, which addresses broadly various aspects related to Safety, Health and Environment. The Company not only addresses its own issues related to SHE aspects, but also takes care of various related problems faced by other industries in the region where the Units are located. All manufacturing units are operating with QMS ISO 9001, EMS ISO 14001 and OHSAS 18001 certification. Various certificates are getting renewed from time to time after audits by respective accreditation agency.

The Company have all the material Consents & Authorization valid under different environmental acts and rules. Various manufacturing activities are performed at the units as per Consents obtained from respective State Pollution Control Boards. Moreover, all Units are complying to provisions of Factories Act and Company have taken steps to ensure safe working place for all employees, and protecting their health.

During the last year, the Company has augmented Effluent Treatment Plants and air pollution control systems at the Units to meet stringent discharge norms being prescribed for discharge of treated wastewater / stack emissions. The Company is already having on-line monitoring system for TOC / TKN at two units i.e. Unit No. 00 at Vapi and Unit No. 01 at Ankleshwar. For treating effluent with refractory COD, Company has set up separate treatment system at Vapi and Ankleshwar. To take care of Ammonical Nitrogen problem, Company has incorporated additional treatment system which ensures that this parameter is well within the prescribed limit. Treated effluent from the Units is discharged to Common Treatment Facilities at Vapi, Ankleshwar and Jhagadia; and effluent discharge meets inlet norms of Common Treatment Facilities.

Measures taken by the Company for water conservation and recycling have paid good results. With operation of RO System at Unit No. 05 (Jhagadia), approximately 200 KL / Day water has been recycled which has helped in reduction of water consumption.

Solid and Hazardous Wastes generated by the units are treated and disposed off at Common Hazardous Waste Treatment & Disposal Facility. During the year, Company has constructed Hazardous Waste Storages at units as per the new guidelines.

The Company has set up Emergency Risk Teams at all its units. In case of any emergency like flood, fire, accident, explosion or any other calamity, these teams swing into action immediately and bring the situation under control. Their work is greatly appreciated by the government departments, fire brigade and the industries in these areas.

PARTICULARS OF EMPLOYEES:

In terms of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure to this Report.

DIRECTORS RESPONSIBILITY:

Your Directors confirm the following Directors Responsibility statements pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956:

1. in the preparation of Annual Accounts for the year ended 31st March, 2011, the Company has followed the applicable accounting standards with proper explanations relating to material departures;
2. appropriate accounting policies have been selected and applied consistently and judgements and estimates are made prudently and reasonably so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for that year;
3. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with applicable provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis.

GROUP FOR INTERSE TRANSFER OF SHARES:

As required under Clause 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 persons constituting "Group" (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulation 10 to 12 of the aforesaid Regulations, are given in the Annexure attached herewith and forms part of this Annual Report.

CORPORATE GOVERNANCE:

Your Company and its Board has been complying with Corporate Governance to the extent set out in this respect as a separate report, in pursuance of requirement of Clause 49 of the Listing Agreement. The Management Discussions and Analysis Report forms part of this Report. Auditor's certificate regarding compliance of the conditions of the corporate Governance as stipulated under the said clause is also attached to this Report.

LISTING OF THE COMPANY'S EQUITY SHARES:

The equity shares of your Company are listed on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. There is no default in paying annual listing fees.

ACKNOWLEDGEMENT:

Your Directors are thankful to all the stakeholders and various government agencies and ministries for their continued support.

Mumbai
29th April, 2011

Registered Office:
3-11, G.I.D.C., Vapi
Dist. Valsad, Gujarat
Pin: 396195.

On behalf of the Board of Directors

R. D . Shroff
Chairman & Managing Director



ANNEXURE TO DIRECTORS REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY:

(a) Energy conservation Measures taken:-

12.65% energy saving achieved against target of 10% with the following energy conservation measures taken during 2010-11.

1. Specific energy consumption reduction for chilling plants with evaporative condenser
2. De-super heater for steam conditioning and energy saving
3. Reduction in flue gas losses by optimizing the oxygen level in boilers with solid fuel
4. Flash steam / condensate recovery to improve boiler efficiency
5. Use of solar energy for water heating.
6. Automation in filling machine for reducing compressed air consumption

(b) Additional/New Proposals for reduction of energy conservation:-

1. Heat recovery through condensing economizer for boilers
2. Fan-less/Fin-less jet cooling tower
3. Non chemical water treatment for cooling tower through ultra low frequency injection
4. Focusing more on process heat recovery
5. Direct ammonia chilling with screw compressors and variable frequency drive load modulation
6. Energy audit by external auditors and in house facility to study the GAP through modern energy auditing instruments

(c) Proposed Benefits:-

With the above energy saving proposals, energy bills are expected to come down from current level.

B. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

The following efforts were taken by the company towards technology absorption, adaptation and innovation:

1. Technology of a new class of insecticide developed in-house was successfully absorbed on commercial scale during the year.
2. A new combination formulation for effective control of weeds in wheat crop was developed and commercialized successfully.
3. Improvements in the processes of five existing products were done and implemented in the manufacturing plants.
4. Technology up - gradation was pursued by making linkages with scientists of institutes of national and international repute like ICT, CSIR laboratories, IIT and experts in the industry.
5. The Company has entered into an agreement for import of technology for an intermediate during the year. However, no technology is transferred so far.
 - a. Research & Development activities undertaken during the year:
 - i. Process development of new molecules in area of crop protection – Fungicides, Herbicides, Insecticides - and Speciality chemicals.
 - ii. Development of new safer and eco-friendly formulations like SC, WDG, CS and EW and combinations and seed treatment formulations.
 - iii. Process improvement projects undertaken for cost reduction, quality improvement and productivity enhancement.
 - iv. Development of methodology for waste reduction and effluent treatment solutions.
 - b. Benefits Derived from R&D activities:
 - i. Two products were scaled up on commercial scale for launch in the market.
 - ii. Process improvement work has resulted in the cost reduction of the existing products as well as in waste reduction.
 - iii. New molecules and new formulations developed during the year will be commercialized in the coming years and will result in the increase of revenue and profitability of the company.

- c. Future Plan of Action:
 - i. Development of new molecules for future introduction.
 - ii. Continual improvement of existing products / processes.
 - iii. Development of green processes.
 - iv. Development of continuous processes instead of batch processes wherever feasible.
 - v. Development of new safer and eco-friendly formulations.
- d. Expenditure incurred on R & D
 - i. Capital - ₹ 58.49 lacs
 - Recurring - ₹ 4279.89 lacs
 - Total - ₹ 4338.38 lacs
 - ii. Total R & D expenditure – 1.54 % (as a percentage of turnover)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to export, initiatives to increase exports, development of new export markets for products and service and export promotion plans:-

The Company's thrust in the global market continued to grow during the year under review. Today, the name of the company is recognized for quality products, reliable supply capabilities and its ability to understand the needs of customers across the globe. Catering to the needs of customers through various global subsidiaries has been a very unique selling proposition of the Company. With the additional acquisitions that have taken place during the year, the Company has been successfully integrating the various marketing functions across geographies successfully. Even though the year witnessed a relatively flat sale in some segments, Latin American countries, Africa, Asia Pacific and North America witnessed significant growth in percentage, both qualitatively and quantitatively. The Company is confident, with additional registrations maturing and the benefits of integration accruing, the prospects appears encouraging in the long run. During the year, the Company's exports (FOB value) were ₹1445.75 crores.

2. Total Foreign Exchange earned and used:-

	2010-11 (₹ in lacs)	2009-10 (₹ in lacs)
a. Total Foreign Exchange earned	147,637	139,152
b. Total Foreign Exchange used	82,639	68,018

For and on behalf of the Board,

R. D. Shroff
Chairman & Managing Director

Mumbai
29th April, 2011

ANNEXURE TO DIRECTORS' REPORT
FORM 'A'

Form for disclosure of particulars with respect to Conservation of Energy

Part 'A'

Power and Fuel consumption

POWER & FUEL	2010-11	2009-10
ELECTRICITY		
Purchased units (kwh)	86023582.62	33814317.10
Total Cost (₹)	535926919.71	216073486.29
Rate/Unit (₹)	6.23	6.39
OWN GENERATION (D G HOUSE)		
UNITS (kwh)	427444.00	529684.00
Unit per Litre of Diesel Oil	2.80	3.11
Cost/Unit (₹)	22.44	17.87
OWN GENERATION (POWER PLANT)		
UNITS (kwh)	220354700.00	233389300.00
Unit per M3 of Natural Gas	3.54	3.46
Cost/Unit (₹)	4.55	5.13
FURNACE OIL		
Quantity (Litres)	709941.51	1286663.00
Total Cost (₹)	17566799.64	22600715.36
Rate/Litre (₹)	24.74	17.57
NATURAL GAS		
Quantity (M3)	88549671.00	89516531.00
Total Cost (₹)	1416938510.29	1316325990.27
Rate/Unit (₹)	16.00	14.70
CONSUMPTION PER UNIT OF PRODUCTION - ALL PRODUCTS		
	Rate/Unit	Rate/Unit
	2010-11	2009-10
Electricity	1.40/.09	1.50/.12
Furnace oil	0.003	0.01
Natural Gas	0.12	0.11

For and on behalf of the Board,

 Mumbai
 29th April, 2011

R. D. Shroff
 Chairman & Managing Director

ANNEXURE FORMING PART OF THE DIRECTORS' REPORT

"Group" for interse transfer of shares under Clause 3(1)(e) of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

<p>PROMOTER DIRECTORS:</p> <ol style="list-style-type: none"> 1. Rajnikant Devidas Shroff and Family 2. Sandra R. Shroff and Family 3. Jaidev R. Shroff and Family 4. Vikram R. Shroff and Family <p>RELATIVES OF PROMOTER DIRECTORS:</p> <ol style="list-style-type: none"> 1. Poonam J. Shroff and Family 2. Namrata V. Shroff and Family 3. Varun J Shroff and Family 4. Tania J Shroff and Family 5. Rudritara J. Shroff and Family 6. Mekhala V. Shroff and Family 7. Ranjit V. Shroff and Family 8. Shilpa R Shroff and Family 9. Pradip Sagar and Family 10. Jyotsna Bhatt and Family 11. Jyotindra Bhatt and Family 12. Shaila S Shroff and Family <p>TRUST:</p> <ol style="list-style-type: none"> 1. Jai Trust 2. Jewel Trust 3. Victory Trust <p>PARTNERSHIP FIRMS:</p> <ol style="list-style-type: none"> 1. Akruti Products 2. Sarjan Chemicals 3. Prakriya Pharmachem 4. Urja Chemicals 5. UPL India 6. Pot Plants 7. Ultima Search <p>GROUP COMPANIES:</p> <ol style="list-style-type: none"> 1. Aconcagua Holding B.V. 2. Advanta India Ltd. 3. Agraja Properties Ltd. 4. Agrinet Solutions Ltd. 5. Amytree Ltd. (BVI) 6. Archana Overseas Pvt. Ltd. 7. Bharuch Airport Infrastructure Pvt. Ltd. 8. Bharuch Enviro Infrastructure Ltd. 9. Bloom Industrial Plastics Pvt. Ltd. 10. Bloom Packaging Pvt. Ltd. 11. Bloom Seal and Containers Pvt. Ltd. 12. Coimbatore Integrated Waste Management Co. P. Ltd. 	<ol style="list-style-type: none"> 13. Daman Ganga Pulp & Papers Pvt. Ltd. 14. Demuric Holdings Pvt. Ltd 15. Entrust Environment Ltd. 16. Enviro Technology Limited 17. Esthetic Finvest Pvt. Ltd. 18. Floratrip Ltd. (BVI) 19. Force Aviation Pvt. Ltd. 20. Gharpure Engineering & Constructions Pvt. Ltd. 21. Heline Environment Pvt. Ltd. 22. Hexspun Ltd. (BVI) 23. Isar Builders & Developers Pvt. Ltd. 24. Kerala Enviro Infrastructure Ltd. 25. Khagay Environment Pvt. Ltd. 26. Khaline Environment Pvt. Ltd. 27. Latur Water Supply Management Co. Ltd. 28. Mrugal Properties Ltd. 29. Nerka Chemicals Pvt. Ltd. 30. Nivi Trading Ltd. 31. Orizaba Holding Coöperatief U.A 32. Praskand Environment Pvt. Ltd. 33. R. Shroff Consultants Pvt. Ltd. 34. Sanguine Holdings Pvt. Ltd. 35. Seiko Properties Pvt. Ltd. 36. Sharvak Environment Ltd. 37. Shatataraka Holdings Pvt. Ltd. 38. Shivalik Solid Waste Management Ltd. 39. Shroff Envirotral Pvt. Ltd. 40. Shroffs United Chemicals Ltd. 41. Squaredip Inc (BVI) 42. SWAL Corporation Ltd. 43. Tatva Clean Tech Private Ltd. 44. Tatva Global Environment Ltd. 45. Tatva Global Environment (Deonar) Ltd. 46. Tatva Global Renewable Energy Co. Pvt. Ltd. 47. Tatva Global Water Technologies Pvt. Ltd. 48. Timberlane PTE. Ltd. 49. Uniphos Agro Industries Ltd. 50. Uniphos (Cayman Islands) 51. Uniphos (Cyprus) Limited 52. Uniphos Enterprises Ltd. 53. Uniphos Envirotronic Pvt. Ltd. 54. United Phosphorus (Cayman Islands) 55. UPL Djai Power Ltd. 56. UPL Environmental Engineers Ltd. 57. UPL Investment Pvt. Ltd. 58. Venture Drive Limited (Cayman Islands) 59. Vyom Finvest Pvt. Ltd.
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and any body corporate and/or entity promoted / formed by any of the above.

"Family" – "Family" for this purpose includes spouse, dependent children and parent



CORPORATE GOVERNANCE

1. Company’s Philosophy on Code of Corporate Governance

The The Company’s philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It wants to enhance shareholder value with best practices of corporate governance. The high standard of corporate governance is maintained by being transparent, accountable and continuous interaction with shareholders, employees, lending institutions, banks, govt. agencies and all the dealers.

The Company’s products are marketed not only in India but all across the globe. The Company is therefore conscious of the fact that to achieve success very high ethical value of the management and the employees is inevitable.

2. Board of Directors

The Board of Directors consists of 12 directors as on 31st March, 2011.

Five Board Meetings were held during the year, as against the minimum requirement of four meetings. The dates on which the meetings were held are as follows: 22nd April, 2010, 29th April, 2010, 26th July, 2010, 26th October, 2010 and 25th January, 2011.

COMPOSITION AND CATEGORY OF DIRECTORS, OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS :

Name of the Director	Category	Attendance Particulars		No. of other directorships and Committee memberships/ chairmanships*		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. R. D. Shroff	Promoter & Executive Chairman & Managing Director	5	Present	10	1	1
Mrs. S. R. Shroff	Promoter & Non-Executive Vice Chairman	5	Present	9	-	-
Mr. J. R. Shroff	Promoter & Non-Executive Director	3	Absent	14	1	-
Mr. V. R. Shroff	Promoter & Executive Director	2	Absent	11	3	-
Mr. A. C. Ashar	Non-Promoter & Executive Director	5	Present	12	2	-
Dr. P. V. Krishna	Independent & Non-Executive Director	4	Absent	1	-	-
Mr. Pradeep Goyal	Independent & Non-Executive Director	2	Absent	5	-	2
Mr. K. Banerjee	Non-Promoter Executive Director	-	Absent	1	-	-
Dr. (Mrs) Reena Ramachandran	Independent & Non-Executive Director	4	Present	-	-	-
Mr. Pradip Madhavji	Independent & Non-Executive Director	5	Present	2	-	3
Mr. Vinod Sethi	Independent & Non-Executive Director	1	Absent	10	6	3
Mr. Chirayu R. Amin	Independent & Non-Executive Director	1	Absent	13	1	1

Notes: * Excludes Directorship in Private Limited companies and Foreign Companies.

3. Information supplied to the Board

Following information was provided to the Board as part of the agenda papers in advance of the Board Meeting or presented at the time of the Board Meetings:

- Annual Budget,
- Financial Results of Company and consolidated results,
- Recommendation of payment of dividend on equity shares,
- Commission to Executive and Non-Executive Directors,
- Inter-corporate investments, loans and guarantees,
- Material show cause notices, legal judgements etc.,
- Issue of privately placed Debentures,
- Acquisition of business, abroad,
- Approval for contracts entered into with parties covered in the register under section 301 of the Companies Act, 1956,
- Review of the procedure for risk assessment and minimization,
- Consideration of any disclosure made by senior management relating to any transaction having potential conflict with interest of the Company,
- Appointment of Cost Auditors,
- Availing credit facilities from banks,
- Formation of Limited Liability Partnerships,
- Presentations relating to safety & environment and integrated business
- Taking over premises on leave and licence basis.

4. Disclosures

The particulars of transactions between the Company and related parties as per the Accounting Standards are mentioned separately in schedule "T" of the Annual Accounts. However, these transactions are not likely to have any conflict with the Company's interest.

As per the ICAI announcement, expense adjusted directly to reserve is net of its tax effect. As per the Court order and legal advice obtained, the Company has taken a consistent view that the tax benefit available is not to be adjusted in respect of amortization of the product registrations and product acquisitions adjusted to the Reserves.

No strictures or penalties have been imposed on the Company by the Stock Exchange or The Securities and Exchange Board of India (SEBI) or any other regulatory body on any matter relating to capital markets in the last three years.

The Securities and Exchange Board of India (SEBI) vide notification dated 20th February, 2002, has amended the SEBI (Insider Trading) Regulations, 1992. As per these regulations, the Company has appointed Mr. M. B. Trivedi as a Compliance Officer, who will be responsible for formulating policies, procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trades, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board. The Company also has framed its own code of internal procedure and conduct for prevention of Insider Trading which provides for "Trading Window" restrictions, disclosure requirements and also pre-clearance of trades in the Company's securities.

Shareholding of the Directors as on 31st March, 2011 was as under:

Name of the Director	Shareholding
Mr. R. D. Shroff	Nil
Mrs. S. R. Shroff	Nil
Mr. J. R. Shroff	Nil
Mr. V. R. Shroff	Nil
Mr. A. C. Ashar	222590
Dr. P. V. Krishna	Nil
Mr. Pradeep Goyal	Nil
Mr. K. Banerjee	346204
Dr. (Mrs) Reena Ramachandran	Nil
Mr. Pradip Madhavji	Nil
Mr. Vinod Sethi	Nil
Mr. Chirayu R. Amin	Nil

5. Code of Conduct

The Board of Directors has adopted the Code of Conduct for the Board Members and the Senior Management. The said Code has been communicated to the Board Members and the Senior Management. The Code has also been posted on the Company's website www.uplonline.com.

6. Audit Committee

The Board of the Company has constituted an Audit Committee, comprising of three Independent & Non-Executive Directors. Four meetings of the Audit Committee were held on 29th April, 2010, 26th July, 2010, 26th October, 2010 and 25th January, 2011.

Composition of members of Audit Committee is as follows:

Composition	Mr. Pradip Madhavji Chairman	Mr. Pradeep Goyal	Dr. P. V. Krishna
Meetings attended during the year	4	2	4

The constitution of Audit Committee also meets with the requirements under Section 292A of the Companies Act, 1956. Mr. Pradip Madhavji who has financial and accounting knowledge has been nominated as the Chairman of the Audit Committee.

The role and terms of reference stipulated by the Board to the Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors.

7. Remuneration Committee

The Board of the Company has constituted a Remuneration Committee, comprising of three Independent & Non-Executive Directors viz. Dr. (Mrs.) Reena Ramachandran, Chairman, Mr. Pradeep Goyal and Dr. P. V. Krishna.

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/ Whole time Directors based on performance and defined criteria.

No meeting of the Remuneration Committee was held during the year.



Details of the remuneration to all the Directors for the year:

The aggregate value of salary, perquisites and commission for the year ended 31st March, 2011 to four Whole time Directors is as follows:

₹ in Lacs

Name of Director	Salary	Perquisites	Retirement Benefits	Commission	Total
Mr. R. D. Shroff <i>Chairman & Managing Director</i>	264.00	45.90	83.97	150.00	543.87
Mr. Vikram R. Shroff <i>Executive Director</i>	240.00	16.84	76.34	150.00	483.18
Mr. Kalyan Banerjee <i>Whole time Director</i>	18.00	5.53	5.73	11.00	40.25
Mr. A. C. Ashar <i>Whole time Director</i>	60.00	21.62	19.08	19.00	119.70

The Company has paid the sitting fees for the year ended 31st March, 2011 to Independent & Non-Executive Directors for attending Board Meetings, Audit Committee Meetings, Remuneration Committee Meetings and Shareholders'/Investors' Grievances Committee Meeting as follows:

Dr. P. V. Krishna ₹1,00,000/-; Mr. Pradeep Goyal ₹40,000/-, Dr. (Mrs.) Reena Ramachandran ₹50,000/-, Mr. Pradip Madhavji ₹1,10,000/-, Mr. Vinod R. Sethi ₹10,000/- and Mr. Chirayu R. Amin ₹10,000/-

In addition, the Company has provided for payment of commission to Independent & Non-Executive Directors of ₹4.00 lacs each to Dr. P. V. Krishna, Mr. Pradeep Goyal, Dr. (Mrs.) Reena Ramachandran, Mr. Pradip Madhavji and ₹2.00 lacs each to Mr. Vinod Sethi and Mr. Chirayu R. Amin.

8. Shareholders'/Investors' Grievance Committee

The Board of the Company has constituted a Shareholders'/Investors' Grievance Committee, comprising of three Independent & Non-Executive Directors to look into the Shareholders' and Investors' Grievances. One meeting of the Shareholders'/Investors' Grievance Committee was held on 25th January, 2011.

Composition of members of Shareholders'/Investors' Grievance Committee is as follows:

Composition	Mr. Pradip Madhavji Chairman	Mr. Pradeep Goyal	Dr. P. V. Krishna
Meeting attended during the year	1	-	1

The Company also has its separate shares transfer committee consisting of Mrs. S. R. Shroff and Mr. A. C. Ashar, Directors and two other senior executives of the Company. This committee normally meets twice a month to approve transfer of shares, issue of duplicate certificates, redressal of Shareholders' and Investors' Grievances, etc. Share certificate submitted for dematerialisation and request for rematerialisation are also approved by the committee.

The total numbers of complaints received during the year under review were 211 and all the complaints were replied to the satisfaction of shareholders on or before 31st March, 2011.

9 requests for transfers were pending for approval as on 31st March, 2011, which were approved and dealt with by 15th April, 2011.

9. Annual General Meetings

Location and time for last three Annual General Meetings were:

Year	AGM	Location	Date	Time
2007-2008	24th AGM	Hotel Green View Hall N. H. No. 8, Vapi, Gujarat - 396 195	18/09/2008	10.30 a.m.
2008-2009	25th AGM	Hotel Green View Hall N. H. No. 8, Vapi, Gujarat - 396 195	18/09/2009	10.00 a.m.
2009-2010	26th AGM	Hotel Green View Hall N. H. No. 8, Vapi, Gujarat - 396 195	08/09/2010	10.00 a.m.

10. (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

During the year, the Company had no materially significant related party transaction, which are considered to have potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

None.

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11. Means of communication

Half-yearly results for the half-year ending 30th September, 2010 were not sent to each household of shareholder.

The quarterly and annual results are published by the Company in the Financial Express in Gujarati and Financial Express and Economics Times in English. The results are also displayed on corporate Website, www.uplonline.com. Official news releases are sent to the Stock Exchanges at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd., where the equity shares of the Company are listed.

The Management Discussion and Analysis (MD&A) forms a part of the annual report.

12. General Shareholder Information

12.1. Annual General Meeting :

- Date : 26th July, 2011 at 10.00 a.m.
- Venue : Hotel Green View Hall
N. H. No. 8, Vapi, Gujarat - 396 195.

12.2. Financial Calendar :

- Annual General Meeting –**
26th July, 2011
- Results for quarter ending June 30, 2011-** On or before 14th August, 2011
- Results for quarter ending September 30, 2011-** On or before 14th November, 2011
- Results for quarter ending December 31, 2011-** On or before 14th February, 2012
- Results for quarter / year ending March 31, 2012 -**
Last week of April, 2012 / June 2012.

12.3. Book closure date :

- 16/07/2011 to 26/07/2011
(Both days inclusive)

12.4. Dividend payment date :

- 1st August, 2011

12.5. (a) Listing of Equity Shares on Stock Exchanges at

- : Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

(b) Listing of GDR on the Stock Exchanges at

- : Luxembourg Stock Exchange

12.6 (a) Stock Code :

- Bombay Stock Exchange Ltd. : 512070
National Stock Exchange of India Ltd. : UNIPHOS

(b) Demat ISIN Number in NSDL & CDSL for

- Equity Shares of ₹ 2/- each : INE628A01036

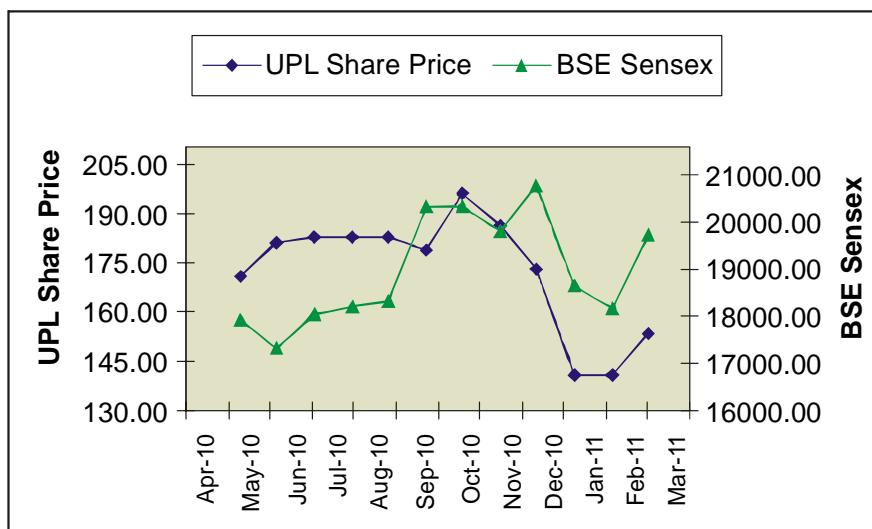
12.7. Stock Market Data

Month	Bombay Stock Exchange Ltd. (BSE)		National Stock Exchange of India Ltd. (NSE)	
	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April 2010	172.10	143.00	172.30	142.55
May 2010	185.50	158.35	185.40	158.20
June 2010	199.90	173.30	199.45	173.10
July 2010	188.00	171.00	194.40	172.55
August 2010	199.95	179.15	200.25	179.20
September 2010	196.30	178.25	196.20	178.50
October 2010	219.70	181.00	219.70	180.05
November 2010	216.80	177.00	216.60	176.80
December 2010	198.00	153.00	201.80	151.25
January 2011	175.85	133.35	175.75	133.90
February 2011	147.50	125.60	147.60	125.10
March 2011	152.50	126.00	154.00	126.20



12.8. Share price performance in comparison to broad-based indices – BSE Sensex.
UPL share price performance relative to BSE Sensex based on share price during the year.

RELATIVE PERFORMANCE OF UNITED PHOSPHORUS LTD. (UPL)



12.9 Registrar and Share Transfer Agent : Sharepro Services (India) Pvt. Ltd.
 (Share transfer and communication regarding share certificate, dividends and change of address).
 Unit : United Phosphorus Limited
 13AB, Samhita Warehousing Complex,
 Second Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri Kurla Road, Sakinaka
 Andheri (East), Mumbai- 400 072.

Also, for the benefit of the Shareholders, the documents will continue to be accepted at the following office of the Company:

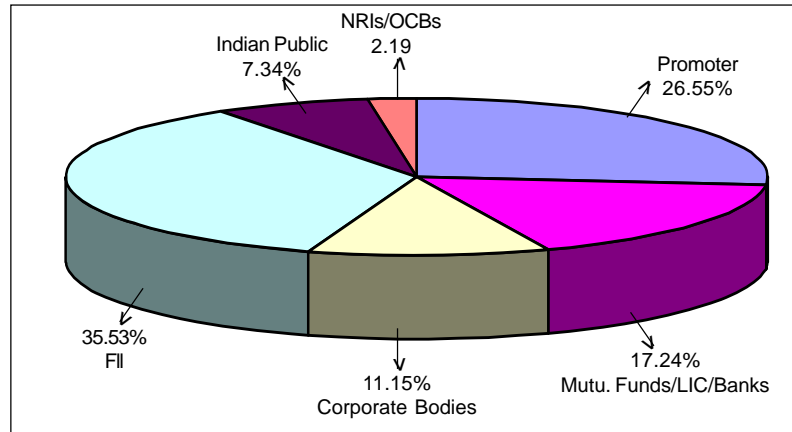
United Phosphorus Limited
 Secretarial Department
 8, Shri Krishna Commercial Centre
 Ground Floor, Opp. Raheja Solitaire
 6 Udyog Nagar, Off S. V. Road,
 Goregaon (West), Mumbai 400 062.

12.10 Share Transfer System : Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects.

12.11. Distribution of Shareholdings as on 31st March, 2011:

Shareholding of Nominal Value of (₹)	Shareholders		Share Amount	
	Numbers	% of Total Nos.	In (₹)	% of Total Amt.
1 – 5,000	62191	94.70	38738336	4.19
5,001 – 10,000	1660	2.53	12440130	1.35
10,001 – 20,000	1048	1.60	14698096	1.59
20,001 – 30,000	218	0.33	5436562	0.59
30,001 – 40,000	105	0.16	3683580	0.40
40,001 – 50,000	39	0.06	1732152	0.19
50,001 – 1,00,000	94	0.14	6701184	0.72
1,00,001 and above.	313	0.48	840178508	90.97
Total	65668	100	923608548	100

12.12. Shareholding pattern as on 31st March, 2011:



12.13. Dematerialisation of Shares : 97.98% of the outstanding shares have been dematerialised up to 31st March, 2011. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 28th August, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

Liquidity :

The shares of the Company are among the most liquid and actively traded shares. Relevant data for the **average daily turnover** for the financial year 2010 – 2011 is given below:

	Bombay Stock Exchange Ltd. (BSE)	National Stock Exchange of India Ltd. (NSE)	BSE + NSE
In no. of shares (in thousand)	308.67	1645.92	1954.59

(Source : This information is compiled from the data available from the websites of BSE and NSE)

12.14. Outstanding GDR/Warrants and Convertible Bonds, Conversion date and likely Impact on the Equity : Outstanding GDRs as on 31st March, 2011 represent 370720 shares (0.08 %). There are no further outstanding instruments, which are convertible into equity in the future.

12.15. Plant Locations : The Company's plants are located at Vapi, Ankleshwar, Jhagadia, Halol, Jammu and Haldia.

12.16. Address for Correspondence
(i) Investor Correspondence

: **For Shares held in Physical Form**
Sharepro Services (India) Pvt. Ltd.
Unit : United Phosphorus Limited
13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka
Andheri (East), Mumbai- 400 072.

Also, for the benefit of the Shareholders, the documents will continue to be accepted at the following office of the Company:

United Phosphorus Limited
Secretarial Department
8, Shri Krishna Commercial Centre
Ground Floor, Opp. Raheja Solitaire
6 Udyog Nagar, Off S. V. Road,
Goregaon (West), Mumbai 400 062.

For Shares held in Demat form
To the Depository Participant(s)



- (ii) **Any query on Annual Report** : Mr. M. B. Trivedi, Company Secretary
United Phosphorus Limited
Legal & Secretarial Department
Uniphos House, C. D. Marg, Madhu Park,
Khar (West), Mumbai 400 052.
E-Mail : trivedimb@uniphos.com
- (iii) **Exclusive e-mail ID of the grievance redressal division** : upl.investors@uniphos.com
- (iv) **Corporate Website** : www.uplonline.com

On behalf of the Board of Directors

Mumbai
29th April, 2011

R. D. Shroff
Chairman & Managing Director

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct laid down by the Company for the year ended 31st March, 2011

Mumbai
29th April, 2011

On behalf of the Board of Directors
R. D. Shroff
(Chairman & Managing Director)

AUDITORS' CERTIFICATE

To The Members of
UNITED PHOSPHORUS LIMITED

We have examined the compliance of conditions of corporate governance by United Phosphorus Limited, for the year ended on March 31, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.V. GHATALIA & ASSOCIATES
Firm registration number: 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870

Mumbai
29th April, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT :-

The Company is mainly engaged in the business of agrochemicals, other industrial chemicals and chemical intermediates. It has also got a captive power plant in Jhagadia.

The agrochemical industry has several crop protection products which can be broadly divided into herbicides, insecticides, fungicides and others. Herbicides prevent or reduce weeds. They mainly replace or reduce mechanical weeding and thereby help in reducing soil erosion, water loss and providing better targeted nutrition to the plants. Insecticides are used to control insects and pests that reduce crop yields and quality. Fungicides prevent and cure fungal plant diseases which affect crop yields and quality.

The agrochemical market is divided into products protected by patents and products which have gone off-patent. Majority of sales of patented as well as off-patent products are dominated by multinational corporations.

Over the last few years, there have been many mergers and acquisitions among existing agrochemical companies. The primary reasons for the same are slow pace of new product development, growing generics penetration and increasing cost of regulatory compliance. The industry is regulated by strict and expensive registration processes in various jurisdictions and environmental and safety legislations. There are environmental laws prescribed for production, storage and handling of inputs, intermediates and agrochemicals.

As the new products are slow to come in the market, the success of business depends largely on distribution network of the companies. Over the years, the Company has expanded its distribution network in the international market through various subsidiaries. The Company has also acquired new products, businesses and companies to successfully integrate new products to its existing business. Within India, it has got sales depots and distributors across the country to cater to the Indian market.

Population has been rising everywhere. This results in higher food consumption. Farmable land is limited and hence, productivity of land has to increase. In India, agrochemical industry is set to progress very fast in the coming years. The second Green Revolution is expected. The government is concerned with the slow growth in agriculture sector. It is providing various incentives and facilities for the growth of this sector.

OPPORTUNITIES AND THREATS:-

The agrochemical industry in India is poised for good growth. Increase in world population, limited arable land, growing per capita GDP, newer technology such as biotechnology, etc. are the key growth drivers. In India, the use of agrochemicals is much less as compared to most of the developed countries. Increase in population requiring more food production will need more agrochemicals to boost the food production. In India, there are significant cost advantages in production of technical grade materials as well as formulations for agrochemicals. Entry barriers in the form of registrations for the new entrants, strict environment regulations, intellectual property regulations and exorbitant costs of developing any new molecule will all help the established entities to grow their business.

The main threat to the industry is erratic monsoon and frequent changes in government policies which may result in ban of certain agrochemicals. To protect against such ban, higher costs have to be incurred to defend and protect the molecules. Further, unscrupulous formulators is a serious threat for the genuine players in the industry.

SEGMENTWISE PERFORMANCE:-

- a) Agrochemicals – Agrochemicals accounted for 80% of total sales of the company. Increase in market share of the company's products mainly consists of agrochemicals.
- b) Industrial chemicals and intermediates – this segment accounted for 19% of total sales.
- c) Power – Power plant is for captive.
- d) Exports – Exports accounted for 53% of total sales.

BUSINESS OUTLOOK:-

The world economy is coming out of the downturn. Economies of USA and European countries are picking up again. This will benefit the Company significantly. In last few years, the Company's performance had remained static on account of slackness in demand in these countries.

Overall business scenario for the Company is encouraging. A big advantage for the Company is that its cost of manufacture of agrochemicals in India is competitive. Further, it offers the largest range of agrochemicals. With various acquisitions, the Company has gained access to global markets and it is in a position to offer an extensive and balanced product portfolio to its customers worldwide. The Company has also strengthened its distribution reach and access to new markets by various strategic alliances with other agrochemical manufacturers of the world. The Company holds more than 1000 registrations for its products worldwide. The senior management devotes considerable time and resources in research and development for developing new products and improvement in manufacturing processes so as to enhance the quality of its products and make them more affordable. All these factors will help the Company to perform better in coming years.



INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:-

The internal control system of the Company is well structured and is commensurate with the size, scale and complexity of its operations. All the business processes of the Company are run on SAP system. Standard operating procedures are introduced and revised from time to time resulting in better control. The internal audit department plans the schedule of audit based on the risk assessment and regular audits and checks of various functions are performed to ensure proper internal control over such functions. Areas of internal audit cover various functions which include procurement of inputs, marketing, production, accounting, statutory compliances, logistics, overseas subsidiary operations, job work arrangements, etc. The in-house internal audit team is supported by external professionals who carry out internal audit at various depots.

The Audit Committee of the Board regularly reviews the adequacy and efficacy of the internal control system. The Committee also gives valuable suggestions to further strengthen the internal controls and the same are duly implemented. The annual internal audit plan drawn out by the in-house internal audit department is approved by the Audit Committee. Before finalizing the audit plan, business risks for all functions and at all centres are evaluated with a view to mitigate such risks.

The reports made by internal audit team from time to time form the basis for certification by the Managing Director and Chief Financial Officer for financial reporting as required under clause 49 of the Listing Agreement.

RISKS AND CONCERNS:-

The Company faces many business risks. One such risk is uncertain weather. Too much or too little rainfall is not good for the business of the Company. The forecasts for the rainfall are at times not very reliable and hence, the Company is not able to plan its activities properly. Sometimes, the Company is left with high inventory and at other times, it runs out of stock of its products. To mitigate the effects of uncertain weather, the Company has laid down parameters for inventory management. Further, weather is constantly observed and the Company has proper mechanism in place to immediately respond to any unforeseen eventualities. Due to its global operations, it enjoys a natural hedge against the weather uncertainties in some parts of the world.

Another unforeseeable risk at times is sudden price fluctuations for some of the key raw materials of the Company. This mainly happens in case of imports. This is kept under check by better inventory management, recovery of inputs used in manufacturing processes, developing multiple sources of supply, efficient market intelligence, etc.

In India and other countries, the business is subject to extensive regulatory compliances. The Company is required to strictly adhere to environmental laws and intellectual property laws. The Company's registration and legal team adheres to all legal compliances and diligently discharges all statutory obligations in this regard. At all manufacturing sites, obligations under environment laws are observed so as to keep pollution in control.

As the Company's sales are mainly by way of exports, it gets exposed to high currency fluctuations. The Company has a natural hedge against such risk as the Company has borrowings from overseas market as also imports are made from abroad. The risks of currency fluctuations is avoided by taking cover for all its foreign borrowings.

With the business of the Company growing at a hectic pace and demand for trained and experienced manpower in excess of the supply, the risk of managing people is very big. The Company has to retain its existing trained workforce and also attract new talent for its different operations. Not only that, over the last few years, the Company's business has grown inorganically. New businesses are bought over and integrated into existing business. This sometimes results into confusion as the staff of earlier businesses are required to change and adjust their working systems to fall in line with the existing systems. This is taken care of by constant interaction with the staff and assuring them of good personal and career growth. To improve the performance of the staff at work, various refresher training courses are organised to update their knowledge with the latest technologies and management ideas.

FINANCIAL AND OPERATIONAL PERFORMANCE:-

During the year, turnover has gone up from ₹2738.98 crores to ₹3133.71 crores. Exports have been ₹1445.75 crores. At consolidated level, the sales have gone up from ₹5290.04 crores to ₹5649.69 crores. Profit before tax on consolidated basis has increased from ₹598.70 crores to ₹664.44 crores.

HUMAN RESOURCE DEVELOPMENT:

The company continues to invest in Human Resource development globally to give the business a competitive edge. A number of programs to build on leadership development globally have been introduced. Competency assessment, Performance management and Leadership development would continue to be a strong priority for the organisation. A strong thrust on performance management globally has been initiated and this will help the people align and deliver the strategic organizational objectives. The company has also focused on planned organizational restructuring in key areas leading to higher productivity and efficiencies. As on 31st March, 2011 the number of employees was 2103.

CAUTIONARY STATEMENT:-

Certain statements in this section relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual result may be different from what has been envisaged. The factors that may affect the performance will be exchange rate fluctuations, political and economical disturbances in Europe, aggravated credit risks, non-availability of key inputs, adverse season, deregistration of some products and various other factors.

AUDITORS' REPORT

TO
THE MEMBERS OF
UNITED PHOSPHORUS LIMITED

1. We have audited the attached Balance Sheet of United Phosphorus Limited ('the Company') as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Without qualifying our opinion, we draw attention to Note 14 of Schedule 'T' to the financial statements. As per legal advice obtained in relation to the Court order, the Company has not adjusted tax benefit in respect of amortization of the Product Registrations and Product Acquisitions to the reserves, as explained therein.
5. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.V. GHATALIA & ASSOCIATES
Firm registration number: 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870

Mumbai
April 29, 2011



ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of our report of even date

Re: United Phosphorus Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The Company has granted loan to two firms covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 4,372 lacs and the year- end balance of loans granted to such parties was Nil.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) The Company has taken loan from a company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 7,145 lacs and the year-end balance of loan taken from such party was Rs. 651 lacs.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (g) In respect of loan taken, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements exceeding value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, except in respect of certain transactions of purchases and sale of goods, material or services, we are unable to comment in respect thereof in the absence of similar transactions with other parties.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it, *though there has been a slight delay in a few cases.*
Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-

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tax, customs duty, excise duty, cess and other material undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Income-tax demands	6	1996-97 & 1997-98	Income-tax Appellate Tribunal
Sales Tax Act	Sales tax demands	955	1997-98 to 2005-06	Ahmedabad High Court, Commissioner of Sales-tax, Baroda & Sales Tax Tribunal, Ahmedabad
Central Excise Act/ Finance Act	Excise duty/ Service tax demands	7,123	1989-90 to 2008-09	Commissioner (Appeals) Central Excise and Service Tax Appellate Tribunal
Customs Act	Custom duty demands	2,193	1992-93 to 1995-96	Commissioner (Appeals) Central Excise and Service Tax Appellate Tribunal, Mumbai
Foreign Trade (Development and regulation) Act	Fiscal penalty	3,348	1992 to 1997	Bombay High Court

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has created security or charge in respect of debentures issued. The Company also has unsecured debentures outstanding during the year on which no security or charge is required to be created.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.V. GHATALIA & ASSOCIATES
Firm Registration No. 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870

Mumbai
April 29, 2011



United Phosphorus Limited

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SOURCES OF FUNDS:				
1 SHAREHOLDERS' FUNDS:				
(a) Share Capital	'A'	9,236		8,791
(b) Reserves and Surplus	'B'	216,572		183,362
			225,808	192,153
2 LOAN FUNDS:				
(a) Secured Loans	'C'	41,896		22,169
(b) Unsecured Loans	'D'	202,069		192,780
			243,965	214,949
3 DEFERRED PAYMENT LIABILITIES (Refer Schedule 'T'-Note 8)			51	439
4 DEFERRED TAX LIABILITY (NET) (Refer Schedule 'T'-Note 13)			6,307	7,223
	TOTAL		476,131	414,764
APPLICATION OF FUNDS:				
1 FIXED ASSETS:	'E'			
(a) Gross Block		149,406		146,781
(b) Less: Accumulated Depreciation		68,427		63,076
(c) Net Block		80,979		83,705
(d) Capital Work-in-Progress (including capital advances)		5,215		2,933
			86,194	86,638
2 INTANGIBLE ASSETS	'F'		12,805	13,573
3 INVESTMENTS	'G'		101,180	68,787
4 CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Inventories	'H'	40,904		28,701
(b) Sundry Debtors	'I'	102,495		74,683
(c) Cash and Bank Balances	'J'	43,782		38,370
(d) Other Current Assets	'K'	8,143		6,054
(e) Loans and Advances	'L'	188,627		177,365
	(A)	383,951		325,173
Less: CURRENT LIABILITIES AND PROVISIONS:				
(a) Current Liabilities	'M'	95,792		67,563
(b) Provisions	'N'	12,207		11,844
	(B)	107,999		79,407
NET CURRENT ASSETS	(A - B)		275,952	245,766
	TOTAL		476,131	414,764
NOTES TO ACCOUNTS	'T'			

The Schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES
Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

M. B. TRIVEDI
Company Secretary

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	Year Ended	
		March 31, 2011	March 31, 2010
		Rs. in lacs	Rs. in lacs
INCOME:			
Sale of Products:		313,371	273,898
[Including sale of raw materials: Rs. 6,672 lacs (Previous Year : Rs. 7,670 lacs)]			
Less: (a) Excise Duty		14,678	9,453
(b) Rebate and Discounts		17,779	19,106
		280,914	245,339
Other Income from Operations	'O'	12,516	10,174
Other Income	'P'	13,038	7,221
		306,468	262,734
Increase/(Decrease) in Inventories	'Q'	5,105	(11,024)
		311,573	251,710
EXPENDITURE:			
Manufacturing and Other Expenses	'R'	249,718	206,815
Amortisation/Depreciation		11,468	10,791
Interest and Other Financial Costs	'S'	29,364	9,264
		290,550	226,870
PROFIT BEFORE TAXATION		21,023	24,840
Less: Provision for Taxation:			
Current Tax		5,880	4,420
Minimum Alternative Tax credit entitlement		—	(2,277)
Deferred Tax		(631)	4,568
Tax effect of earlier years		24	—
		5,273	6,711
PROFIT AFTER TAXATION		15,750	18,129
Balance brought forward from Previous Year		2,340	63
AMOUNT AVAILABLE FOR APPROPRIATION		18,090	18,192
Appropriations:			
Add : Debenture Redemption Reserve written back		30,448	4,402
Less : (a) Final Dividend on Equity Shares [Includes short provision of earlier year : Rs. 25 lacs (Previous Year: Nil)]		9,261	8,791
(b) Tax on Distributed Profits: On Equity Dividend [Includes short provision of earlier year: Rs. 4 lacs (Previous Year: Nil)]		1,502	1,460
(c) Debenture Redemption Reserve		6,605	8,003
(d) Transfer to General Reserve		27,500	2,000
		44,868	20,254
Balance Carried to Balance Sheet		3,670	2,340
EARNING PER SHARE			
(Refer Note No. 25 in Schedule 'T')			
Basic Earning per Share (Rs.)		3.52	4.12
Diluted Earning per Share (Rs.)		3.52	3.94
Face Value per Share (Rs.)		2.00	2.00

NOTES TO ACCOUNTS

T'

The Schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES
Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

M. B. TRIVEDI
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	For the year ended 31st March, 2011		For the year ended 31st March, 2010
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES			
(1) Net Profit Before Tax	21,023		24,840
(2) Adjustments For :			
Amortisation / Depreciation	11,468	10,791	
Loss/(Profit) on Sale of Fixed Assets	(6)	26	
Assets Written Off	729	383	
Profit on Sale of Investments	(1,826)	(220)	
Provisions for Diminution in Value of Long-Term Investments (Net)	208	592	
Provision for Doubtful Debts and Advances (Net)	370	369	
Excess Provision Written Back (Net)	(1,428)	(1,320)	
Bad Debts Written Off	89	23	
Sundry Credit Balances Written Back (Net)	(124)	(115)	
Dividend/Interest on Investments	(3,257)	(796)	
Other Interest Income	(7,837)	(6,115)	
Interest and Other Finance Cost	29,364	9,264	
Manufacturing Expenses Capitalised	(66)	(37)	
	27,684		12,845
Operating Profit Before Working Capital Changes	48,707		37,685
(3) Adjustments for :			
Trade and other receivables	(24,284)	(3,441)	
Inventories	(12,203)	26,490	
Trade Payable and other Liabilities	20,295	(11,414)	
	(16,192)		11,635
Cash Generated from Operations	32,515		49,320
(4) Taxes Paid (Net)	5,877		4,102
Net Cash from Operating Activities	A 26,638		45,218

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CASH FLOW STATEMENT (Cont'd.) :

	For the year ended 31st March, 2011 (Rs. in lacs)	For the year ended 31st March, 2010 (Rs. in lacs)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
(1) Purchase of Fixed Assets	(9,365)	(7,375)
(2) Purchase of Intangible Assets	(1,424)	(1,436)
(3) Sale / Disposal of Fixed Assets	73	103
(4) Investments in Subsidiaries	(27,070)	—
(5) Purchase of other Investments	(37,534)	(162,378)
(6) Sale of other Investments	27,000	159,406
(7) Income from other Investments	1,826	220
(8) Dividend / Interest received on Investments	3,257	796
(9) Interest Received	7,414	7,965
(10) Sundry Loans	706	2,375
(11) Fixed Deposits	(3,500)	(25,000)
(12) Advances and loans to subsidiaries	(17,966)	19,948
Net Cash used in Investing Activities	B (56,583)	(5,376)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
(1) Interest and Finance Cost Paid	(29,361)	(12,546)
(2) Borrowings	227,511	121,701
(3) Repayments	(160,479)	(105,873)
(4) Share/Bond/Debenture Issue Expenses	(580)	(104)
(5) Dividends Paid	(8,773)	(6,565)
(6) Tax on Distributed Profits	(1,464)	(1,121)
Net Cash From / (used in) Financing Activities	C 26,854	(4,508)
Net Increase in Cash and Cash Equivalents	(A + B + C) (3,091)	35,334
Cash and Cash Equivalents as at the Beginning of the year	42,373	7,039
Cash and Cash Equivalents as at the Close of the year	39,282	42,373
Cash and its components :		
Cash on hand	13	14
Bank Balances	43,769	38,356
Cash & Bank Balances as per Schedule 'J'	43,782	38,370
Less : In Fixed Deposit Account	28,500	25,000
	15,282	13,370
Add : Investments in Mutual Funds	24,000	29,003
	39,282	42,373

Notes:

- Cash and Cash equivalents at the end of the year are after adjustments of foreign exchange loss of Rs. 8 lacs (Previous Year: Rs.11 lacs)
- Bank balances include unclaimed dividend of Rs. 136 lacs (Previous Year: Rs.93 lacs) which is not available for use by the Company as they represent corresponding unpaid dividend liability.

As per our attached Report of even date
For **S.V. GHATALIA & ASSOCIATES**
Firm Registration Number 103162W
Chartered Accountants

per **Sudhir Soni**
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of **United Phosphorus Limited**

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

M. B. TRIVEDI
Company Secretary



SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 'A':

SHARE CAPITAL:

Authorised:

1,27,50,00,000 (Previous Year : 1,27,50,00,000) Equity Shares of Rs. 2 each
 1,40,00,000 (Previous Year : 1,40,00,000) Preference Shares of Rs. 100 each
 50,00,000 (Previous Year : 50,00,000) Preference Shares of Rs. 10 each

Issued, Subscribed and Paid-up:

46,18,04,274 (Previous Year : 43,95,63,568) Equity Shares of Rs. 2 each fully paid-up

TOTAL

As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
25,500	25,500
14,000	14,000
500	500
40,000	40,000
9,236	8,791
9,236	8,791

Notes:

- Of the above:
 12,73,31,215 (Previous Year: 12,73,31,215) Equity Shares of Rs.2 each fully paid-up have been allotted pursuant to a Scheme of Arrangement, without payments being received in cash.
 21,97,81,784 (Previous Year: 21,97,81,784) Equity Shares of Rs. 2 each fully paid-up have been allotted as bonus shares by capitalisation of Securities Premium, without payments being received in cash.
- During the year, the Company has issued 2,22,40,706 (Previous Year: Nil) equity shares of Rs. 2 each fully paid-up on conversion of 654 Foreign Currency Convertible Bonds of USD 1,00,000 each

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'B':			
RESERVES AND SURPLUS:			
1. Capital Redemption Reserve:		3,312	3,312
2. Securities Premium:			
Balance as per last Balance Sheet	103,170		102,998
Add: Amount arising on conversion of Foreign Currency Convertible Bonds into equity shares	28,878		—
Add: Expenses on issue of Syndicated Notes/ Debentures written back	237		328
Less: Expenses incurred on issue of Equity Shares/Bonds/Debentures/Notes (net of tax)	387		104
Less: Premium on redemption of Foreign Currency Convertible Bonds (Refer Note No. 27 in Schedule 'T') (net of tax)	187		52
		131,711	103,170
3. Capital Reserve:			
Balance as per last Balance sheet (Previous year : Rs 0.26 lacs)	8,528		—
Add: Amount arising in respect of fractional entitlement on conversion of Foreign Currency Convertible Bonds into equity shares. [Rs. 0.01 lacs (Previous Year: Nil)]	—		—
Add: Warrant Application Money Forfeited	—		8,528
		8,528	8,528
4. General Reserve:			
Balance as per last Balance Sheet	37,519		35,519
Add: Transferred from Profit and Loss Account	27,500		2,000
		65,019	37,519
5. Debenture Redemption Reserve:			
Balance as per last Balance Sheet	34,523		30,922
Add : Transferred from Profit and Loss Account	6,605		8,003
	41,128		38,925
Less : Transferred to Profit and Loss Account	30,448		4,402
		10,680	34,523
6. Foreign Currency Translation Reserve :			
Balance as per last Balance sheet	(6,030)		160
Add: Exchange difference in respect of non-integral foreign operation	(318)		(6,190)
		(6,348)	(6,030)
7. Balance in Profit and Loss Account		3,670	2,340
TOTAL		216,572	183,362



SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 'C':

SECURED LOANS:

1. Secured Redeemable Non-convertible Debentures:

Face value of Rs.10,00,000 each fully paid up
1,700 (Previous Year: 1,700) 12.20% (Previous Year :
12.20%) - 7 years [Refer Note No. 1 below]

17,000

17,000

2. From Banks:

(a) On Term Loan Accounts

—

2,000

(b) Under Vehicle Finance Schemes

—

8

(c) On Cash Credit and Working Capital
Demand Loan Accounts
(Refer Note No. 2 below)

1

18

(d) On Packing Credit Accounts
(Refer Note No. 2 below)

23,022

—

23,023

2,026

3. From Others:

External Commercial Borrowing from
International Finance Corporation
(Refer Note No. 3 below)

1,873

3,143

TOTAL

41,896

22,169

Notes:

1. Non convertible Debentures (NCDs) referred in 1 above are redeemable at par in three equal instalments from 27.01.2014 and have a put option at the end of 3rd year i.e. 27.1.2012. These debentures are secured by way of pledge of 65,29,500 equity shares of Advanta India Limited.
2. Cash Credit, Packing Credit and Working Capital Demand Loan Accounts from Banks are secured by hypothecation of present and future inventories, book debts, etc. of the Company, wherever situated.
3. External Commercial Borrowing from International Finance Corporation amounting to Rs. 1,873 lacs (Previous Year: Rs.3,143 lacs) is secured by pari-passu first charge by way of hypothecation of specific movable assets, present and future, situated at Jhagadia Unit of the Company.

SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 'D':

UNSECURED LOANS:

	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
1. Term Loans from Banks [Repayable within 1 year : Rs 7,500 lacs (Previous year : Nil)]	17,500	12,000
2. From Banks on Working Capital Loan Accounts [Repayable within 1 year : Rs. 3,568 lacs (Previous year : 8,081 lacs)]	3,568	8,081
3. Unsecured Debentures	98,500	38,500
4. Foreign Currency Convertible Bonds (Refer Note 27 in Schedule 'T' and refer Note 2 of Schedule 'A')	—	30,259
5. External Commercial Borrowings from Banks [Repayable within 1 year : Rs. 81,850 lacs (Previous year : Nil)]	81,850	73,303
6. Syndicated Notes	—	30,637
7. Short Term Loan from others (Repayable on demand)	651	—
TOTAL	202,069	192,780



SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 'E':

FIXED ASSETS:

Sr. No.	Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		As at 1st April, 2010	Additions during the Year	Deductions during the year	Adjustments during the year (Refer Note 2 below)	As at 31st March, 2011	As at 1st April, 2010	Provided during the year	Deductions during the year	Adjustments during the year (Refer Note 2 below)	As at 31st March, 2011	As at 31st March, 2010	
1	Land - Freehold	9,228	-	2	-	9,226	-	-	-	-	9,226	9,228	
2	Land - Leasehold	2,686	-	-	-	2,686	-	-	-	-	2,686	2,686	
3	Leasehold Improvement Asset	2,189	-	-	-	2,189	450	-	-	1,280	909	1,359	
4	Buildings	7,987	50	12	-	8,025	224	3	-	1,815	6,210	6,393	
5	Plant and Machinery (Refer Note No. 1 given below)	107,776	6,625	4,430	10,900	120,871	7,761	3,685	7,448	61,459	59,412	57,841	
6	Laboratory Equipments	217	49	12	-	254	12	8	-	74	180	147	
7	Furniture, Fixtures and Equipments	4,451	339	175	93	4,708	390	154	90	2,841	1,867	1,936	
8	Vehicles	1,251	283	87	-	1,447	120	72	-	958	489	341	
9	Temporary Structures	3	-	3	-	-	-	3	-	-	-	-	
10	Assets taken on Lease: (a) Plant and Machinery (b) Computer Equipments (Refer Note No. 2 below)	10,900	-	-	(10,900)	-	318	-	(7,448)	-	-	3,770	
		93	-	-	(93)	-	1	-	(90)	-	-	4	
	Previous Year	146,781	7,346	4,721	-	149,406	9,276	3,925	-	68,427	80,979	83,705	
	Capital Work-in-Progress (Refer Note No.3 given below)	132,934	14,816	969	-	146,781	8,732	653	-	63,076	5,215	2,933	
	Total												

Notes:

- Buildings include those purchased on hire purchase basis amounting to Rs.5 lacs (Previous Year: Rs.5 lacs), the ownership whereof has not yet been transferred to the Company.
- Assets taken on lease: Rs.10,993 lacs (Gross Block) and accumulated depreciation amounting to Rs. 7,538 lacs are transferred to own asset which is shown as adjustment during the year.
- Capital Work-in-Progress includes Advances for Capital Expenditure- Rs.907 lacs (Previous Year: Rs.93 lacs).
- Amount of pre-operative cost aggregating to Rs.263 lacs (Previous Year: Rs. 456 lacs) in capitalised during the year (Refer Note No. 10 in Schedule 'I').

SCHEDULE 'F':

INTANGIBLE ASSETS:

Sr. No.	Description of Assets	GROSS BLOCK			AMORTISATION			NET AMOUNT		
		As at 1st April, 2010	Additions during the year	Deductions during the year	As at 1st April, 2010	Provided during the year	Deductions/Adjustments	As at 31st March, 2011	As at 31st March, 2010	
1	Data Access Fees	9,438	-	-	7,431	673	-	8,104	1,334	2,007
2	Product Registrations	2,775	1,245	-	1,271	691	-	1,962	2,058	1,504
3	Task Force Expenses	810	-	-	800	8	-	808	2	10
4	Product Acquisitions	11,664	-	-	1,632	778	-	2,410	9,254	10,032
5	Software/Licence Fees	178	179	-	158	42	-	200	157	20
	Total	24,865	1,424	-	11,292	2,192	-	13,484	12,805	13,573
	Previous Year	23,429	1,436	-	9,233	2,059	-	11,292	-	-

Note: Certain intangible assets which are required to be held outside India and where the Company is the beneficial owner of the said intangible assets, are held in the name of overseas subsidiary companies.

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'G':			
INVESTMENTS			
I. LONG-TERM (At Cost):			
1. IN GOVERNMENT SECURITIES: (Unquoted)			
(a) Indira Vikas Patra [Face Value: Current Year: Rs. 0.06 lac. Previous Year: Rs. 0.06 lacs.] Deposited with Government Authorities. (Current Year: Rs.0.06 lacs. Previous Year: Rs.0.06 lacs)	—	—	—
(b) National Saving Certificates [Current Year: Rs. 0.06 lac. Previous Year: Rs. Nil]. Deposited with Government Authorities.	—	—	—
2. IN SUBSIDIARY COMPANIES:			
Unquoted:			
(a) 8,36,000 (Previous Year: 2,36,000) Ordinary Shares of US \$ 100 each fully paid-up in Bio-Win Corporation Limited	36,438		9,419
(b) 50,007 (Previous Year: 50,007) Equity Shares of Rs. 10 each fully paid-up in Shroffs United Chemicals Limited	5		5
(c) 10,00,007 (Previous Year: 10,00,007) Equity Shares of Rs. 10 each fully paid-up in SWAL Corporation Limited	1,691		1,691
(d) 7,02,000 (Previous Year: 7,02,000) 4% Non-Cumulative Non-Convertible Preference Shares of Rs.100 each fully paid-up in SWAL Corporation Limited.	702		702
(e) 2,40,000 (Previous Year: Nil) Equity Shares of UPL Investment Private Limited: 60,000 (Previous Year: Nil) Equity Shares of Rs. 10 each fully paid up	6		—
1,80,000 (Previous Year: Nil) Equity Shares of Rs. 10 each - Rs 2.50 paid	45		—
		38,887	11,817
3. TRADE INVESTMENTS : (Unquoted)			
(a) 1,627 (Previous Year: 1,627) Equity Shares of Tk.1,000 each fully paid-up in United Phosphorus (Bangladesh) Limited	4		4
(b) 57 (Previous Year: 57) Ordinary Shares of 1 Rand each fully paid-up in Cropserve (PTY) Limited	289		289
(c) 9,21,000 (Previous Year: 9,21,000) Equity Shares of Rs.10 each fully paid-up in Chemisynth (Vapi) Ltd.	421		421
(d) 34,13,388 (Previous Year: 34,13,388) Equity Shares of Rs. 10 each fully paid-up in Narmada Clean Tech Infrastructure Limited (Formerly known as Bharuch Eco Aqua Infrastructure Limited)	341		341
		1,055	1,055
4. IN SHARES :			
(a) Quoted:			
(i) 84,00,000 (Previous Year: 84,00,000) Equity Shares of Rs.10 each fully paid-up in Advanta India Limited (Also Refer Note No. 4 below)	23,649		23,649
(ii) 28,100 (Previous Year: 28,100) Equity Shares of Rs.10 each fully paid-up in Gujarat State Financial Corporation	6		6
(iii) 50,000 (Previous Year: 50,000) Equity Shares of Rs.10 each fully paid-up in Nivi Trading Limited	6		6
(iv) 41,150 (Previous Year: 41,150) Equity Shares of Rs.10 each fully paid-up in Transpek Industry Limited	68		68
Carried Forward	23,729	39,942	23,729



SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'G' (Cont'd.):			
Brought Forward	23,729	39,942	23,729
(v) 5,307 (Previous Year: 5,307) Equity Shares of Rs.10 each fully paid-up in IDFC Limited	2		2
(vi) 3,598 (Previous Year: 3,598) Equity Shares of Rs.10 each fully paid-up in Bank of Baroda Limited	8		8
	23,739		23,739
(b) Unquoted:			
(i) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Agrinet Solutions Limited	315		315
(ii) 10,000 (Previous Year: 10,000) Equity Shares of Rs.10 each fully paid-up in Janakalyan Sahakari Bank Limited	1		1
(iii) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Uniphos Agro Industries Limited	50		50
(iv) 45,000 (Previous Year: 45,000) Equity Shares of Rs.10 each fully paid-up in Bloom Packaging Private Limited	185		185
(v) 26,00,000 (Previous Year: 26,00,000) Equity Shares of Rs.10 each fully paid-up in Kerala Enviro Infrastructure Limited	260		260
(vi) 19,025 (Previous Year: 19,025) Equity Shares of Rs.10 each fully paid-up in Bench Bio Private Limited	372		372
	1,183		1,183
		24,922	24,922
5. OTHER INVESTMENTS:			
Unquoted:			
(i) Nil (Previous Year: 200) Commercial Papers of Rs. 500,000 each in Advanta India Limited	—		1,000
(ii) 1,855 (Previous Year: 1,855) Compulsorily Convertible Bonds of Rs. 1,00,000 each in Tatva Global Environment Limited	1,855		1,855
(iii) 1150 (Previous Year: Nil) Non-Convertible Debentures of Rs.10,00,000 each in Advanta India Limited	11,534		—
		13,389	2,855
		78,253	40,649
II. CURRENT INVESTMENTS:			
(At cost or market value, whichever is lower)			
IN MUTUAL FUNDS (UNQUOTED):			
(i) Nil (Previous Year: 22,91,74,102) Units of GFCC IDFC Money Manager Fund - Treasury Plan - Super Inst. Plan - Growth Mutual Fund of Rs. 10 each [Net Asset Value: Nil (Previous Year:Rs.25,022 lacs)]	—		25,003
(ii) Nil (Previous Year: 10,00,00,000) Units of UTI Treasury Advantage Fund IP Growth of Rs. 10 each [Net Asset Value: Nil. (Previous Year: Rs.1,000 lacs)]	—		1000
(iii) Nil (Previous Year: 2,42,66,438) Units of LIC MF Income Plus Fund of Rs. 10 each [Net Asset Value: Nil. (Previous Year: Rs 3,000 lacs)]	—		3000
(iv) 1,55,89,047 (Previous Year: Nil) Units of Kotak Floater Short Term - Growth of Rs.10 each [Net Asset Value: Rs.2,501 lacs (Previous Year: Nil)]	2,500		—
	2,500	78,253	29,003
Carried Forward	2,500	78,253	29,003

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'G' (Cont'd.):			
Brought Forward	2,500	78,253	29,003
(v) 1,03,33,261 (Previous Year: Nil) Units of ICICI Prudential Floating Rate Plan D - Growth of Rs. 100 each [Net Asset Value: Rs.15,032 lacs (Previous Year: Nil)]	15,000		—
(vi) 3,94,35,909 (Previous Year: Nil) Units of JP Morgan India Liquid Fund - Super Institutional Growth Plan of Rs. 10 each [Net Asset Value: Rs.5,009 lacs (Previous Year: Nil)]	5,000		—
(vii) 1,12,073 (Previous Year: Nil) Units of Reliance Money Manager Fund - Institutional Option - Growth Plan of Rs. 1,000 each [Net Asset Value: Rs. 1,500 lacs (Previous Year: Nil)]	1,500		—
		24000	29,003
		102,253	69,652
Less: Provision for Diminution in value of Long-Term Investments		1,073	865
Total		101,180	68,787
Notes:			
1. Aggregate amount of Quoted Investments: Cost (Net of Provision for Diminution) Market Value		23,730 25,246	23,695 52,606
2. Aggregate amount of Unquoted Investments: Cost (Net of Provision for Diminution)		77,450	45,092
3. During the year, the Company has purchased and sold the following shares/units		No. of Shares/Units	No. of Shares/Units
(1) UTI Treasury Advantage Fund IP Growth		1,007,070	612,270
(2) UTI Liquid Cash Plan Institutional - Growth		708,279	—
(3) LIC MF Income Plus Fund		—	190,992,023
(4) LIC Liquid Fund		—	83,081,909
(5) LIC MF Liquid Fund - Growth		122,761,055	—
(6) ICICI Prudential Flexible Income Plan - Growth		—	8,238,909
(7) ICICI Prudential Flexible Income Plan		11,521,600	—
(8) ICICI Prudential Liquid Plan		—	2,953,913
(9) ICICI Prudential Liquid Super IP - Growth		35,772,912	—
(10) Kotak Liquid IP Premium Growth		—	56,346,095
(11) Kotak Flexidebt Schme IP - Growth		—	150,679,435
(12) Kotak Liquid (Institutional Premium) Growth		146,058,765	—
(13) Kotak Flexi Debt Schme Institutional - Growth		44,005,549	—
(14) Kotak Floater Short Term - Growth		56,837,621	—
(15) Kotak Floater Long Term - Growth		74,888,776	—
(16) Reliance Money Manager Fund		—	534,340
(17) Reliance Liquid Fund - Treasury Plan		35,597,323	—
(18) Reliance Medium Term Fund - Retail Plan		41,884,739	—
(19) IDFC Cash Fund - Super IP		—	223,525,624
(20) IDFC Cash Fund - Super IP - C - Growth		88,584,377	—
(21) IDFC Money Manager Fund - Treasury Plan - Super - IP - C)		68,441,686	—
(22) Birla Sun Life Saving Fund - IP - Growth		104,309,138	43,330,309
(23) Birla Sun Life Cash Manager - IP - Growth		32,439,306	—
(24) Birla Sun Life Cash Plus - IP - Growth		107,681,613	—
(25) Bio-Win Corporation Ltd. Pref. Shares		—	20,000,000
(26) SBI Premier Liquid Fund - Super IP - Growth		26,780,214	—
(27) SBI - SHF- Ultra Short Term Fund -IP - Growth		3,282,291	—
(28) Non-Convertible Debentures of Advanta India Limited		—	2,500
(29) Commercial Papers of Advanta India Limited		300	400
4. 65,29,500 (Previous Year: 47,30,000) Equity Shares of Advanta India Limited have been pledged against non-convertible debentures issued to Life Insurance Corporation of India (Also Refer Note No. 1 in Schedule `C')			



SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'H': INVENTORIES:			
(At lower of Cost or Net Realisable Value)			
1. Stores and Spares (including Fuel)		1,519	1,547
2. Packing Materials		2,169	1,551
3. Stock-in-Trade:			
(a) Finished Products [Includes goods-in-transit Rs. 173 lacs (Previous Year: 2,472 lacs)]	15,332		11,372
(b) By-Products	800		714
(c) Semi-finished Products	6,500		4,450
(d) Traded Goods	415		559
(e) Raw Materials [Includes goods-in-transit Rs. Nil (Previous Year: Rs. 182 lacs)]	14,169		8,508
		<u>37,216</u>	<u>25,603</u>
TOTAL		<u><u>40,904</u></u>	<u><u>28,701</u></u>
SCHEDULE 'I': SUNDRY DEBTORS:			
Unsecured:			
1. Debts outstanding for a period exceeding six months:			
Considered Good	14,852		6,939
Considered Doubtful	3,132		2,981
	<u>17,984</u>		<u>9,920</u>
Less: Provision for Doubtful Debts	3,132		2,981
		<u>14,852</u>	<u>6,939</u>
2. Other Debts:			
Considered Good		<u>87,643</u>	<u>67,744</u>
TOTAL		<u><u>102,495</u></u>	<u><u>74,683</u></u>
SCHEDULE 'J': CASH AND BANK BALANCES:			
1. Cash on hand		13	14
2. Bank Balances:			
With Scheduled Banks:			
(i) In Current Accounts	5,486		12,967
(ii) In Margin Accounts	237		235
(iii) In Foreign Currency Accounts	410		61
(iv) In Fixed Deposit Accounts	37,500		25,000
(v) In Unclaimed Dividend Accounts	136		93
		<u>43,769</u>	<u>38,356</u>
TOTAL		<u><u>43,782</u></u>	<u><u>38,370</u></u>

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'K':			
OTHER CURRENT ASSETS:			
1. Interest/Dividend accrued on Investments (Refer Note No. 1 given below)		—	210
2. Interest Receivable			1,360
Considered Good	1,783		5
Considered Doubtful	5		1,365
	1,788		5
Less: Provision	5		1,360
		1,783	
(Refer Note No. 2 given below)			
3. Export Benefits Receivable		5,962	4,395
4. Others			
Considered Good	398		89
Considered Doubtful	201		201
	599		290
Less: Provision	201		201
		398	89
TOTAL		8,143	6,054
Notes:			
1. Interest/Dividend accrued on Investments include amounts due from a subsidiary Company		—	59
2. Interest receivable include amounts due from :			
(a) Subsidiary Companies		866	905
(b) Uniphos Enterprises Limited, a company under the same management [Maximum amount due at any time during the year Rs.45 lacs (Previous Year: Rs. 756 lacs)]		1	45
SCHEDULE 'L':			
LOANS AND ADVANCES:			
Unsecured and Considered Good, unless otherwise stated:			
1. Advances and loans to subsidiaries [includes long term loan to a subsidiary - Rs. 47,271 lacs (Previous Year: Rs.47,589 lacs)]		158,382	140,734
2. Advances recoverable in cash or in kind or for value to be received: (Refer Note 1 given below)			
Considered Good	12,564		15,748
Considered Doubtful	798		618
	13,362		16,366
Less: Provision for Doubtful Advances	798		618
		12,564	15,748
3. Payment of taxes less provision for taxation		2,386	914
4. Minimum Alternative Tax Credit Entitlement		6,723	8,221
5. Loans and Advances to Employees		326	356
6. Sundry Loans:			
Considered Good	141		847
Considered Doubtful	76		76
	217		923
Less: Provision for Doubtful Loans	76		76
		141	847
7. Deposits with the Collectorate of Central Excise and Customs		2,885	2,734
8. Sundry Deposits (Refer Note 2 given below)		3,720	7,310
9. Share/Bond Application Money		1,500	501
TOTAL		188,627	177,365
Notes:			
1. Advances recoverable in cash or in kind or for value to be received include advance to: Uniphos Enterprises Limited, a Company under the same management.[Maximum amount due at any time during the year: Rs.718 lacs (Previous Year: Rs.6,325 lacs)]		—	—
2. Sundry Deposits include amounts due from Directors [Maximum amount due at any time during the year - Rs 23 lacs (Previous Year: Rs 23 lacs)]		23	23



SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'M':			
CURRENT LIABILITIES:			
1. Short Term Buyers Credit		17,300	9,006
2. Sundry Creditors [Includes amount due to subsidiary companies Rs. 10,796 lacs (Previous Year: Rs. 5,538 lacs)] (Refer Note No. 4 in Schedule 'T')		58,649	50,102
3. Advances against Orders [Includes amount due to subsidiary companies Rs. 36 lacs (Previous Year: Rs. 321 lacs)]		5,678	2,875
4. Trade Deposits		1,256	1,039
5. Investor Education and Protection Fund shall be credited by the following amounts, as and when due: Unpaid Dividend		136	93
7. Interest accrued but not due		8,607	2,438
8. Other liabilities		4,166	2,010
TOTAL		95,792	67,563
SCHEDULE 'N':			
PROVISIONS:			
1. Proposed Dividend on Equity Shares		9,236	8,791
2. Provision for Tax on Distributed Profits on Equity Shares		1,498	1,460
3. Provision for Leave Encashment (Net)		1,473	1,593
TOTAL		12,207	11,844

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SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
SCHEDULE 'O':		
OTHER INCOME FROM OPERATIONS:		
1. Export Incentives	5,005	4,050
2. Job-Work Charges	911	795
3. Management Service Fees	340	787
4. Refund of Excise Duty	2,927	1,627
5. Refund of Sales-tax/Sales-tax set-off	—	256
6. Discount Received	522	671
7. Excess Provisions in respect of earlier years written back (Net)	1,428	1,320
8. Sundry Credit Balances written back (Net)	124	115
9. Profit on Sale of Assets (Net)	6	—
10. Landfill Charges	81	220
11. Miscellaneous Receipts	409	333
12. Exchange Difference (Net)	763	—
TOTAL	12,516	10,174
SCHEDULE 'P':		
OTHER INCOME:		
1. Income from Long-Term Investments (Gross)		
(a) Dividend from Subsidiary Companies	—	519
(b) Dividend / Interest on other than Trade Investment [Tax Deducted at Source: Rs. 314 lacs (Previous Year : Rs. Nil)]	3,257	277
	3,257	796
2. Interest on Loans, Deposits etc. (Gross) [Tax Deducted at Source Rs. 288 lacs (Previous Year: Rs. 182 lacs)]	7,837	6,115
3. Rent	118	90
4. Profit on Sale of Investments (Net)	1,826	220
TOTAL	13,038	7,221
SCHEDULE 'Q':		
INCREASE / (DECREASE) IN INVENTORIES:		
Closing Stocks:		
(i) Finished Products	15,332	11,372
(ii) By-Products	800	714
(iii) Semi-finished Products	6,500	4,450
(iv) Traded Goods	415	559
	23,047	17,095
Less : Opening Stocks :		
(i) Finished Products	11,372	15,318
(ii) By-Products	714	1,188
(iii) Semi-finished Products	4,450	7,753
(iv) Traded Goods	559	3,693
	17,095	27,952
	5,952	(10,857)
Less: Excise Duty on Stocks	847	167
	5,105	(11,024)



SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended		Year Ended
	Rs. in lacs	March 31, 2011 Rs. in lacs	March 31, 2010 Rs. in lacs
SCHEDULE 'R':			
MANUFACTURING AND OTHER EXPENSES:			
1. RAW MATERIALS CONSUMED:			
Opening Stock		8,508	24,574
Add: Purchases		141,395	105,580
		<u>149,903</u>	<u>130,154</u>
Less: Closing Stock		14,169	8,508
			<u>121,646</u>
[Including cost of raw materials sold Rs.5,784 lacs (Previous Year: Rs. 7,118 lacs)]		135,734	121,646
2. PURCHASES OF TRADED GOODS		28,458	15,515
3. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
(a) Salaries, Wages, Bonus and Other Benefits		11,980	10,200
(b) Contribution to Provident Fund and Other Funds		575	465
(c) Retirement Benefits		1,229	767
(d) Welfare Expenses		1,528	1,304
			<u>12,736</u>
4. OPERATING AND OTHER EXPENSES:			
(a) Stores and Spares Consumed		2,892	2,636
(b) Power and Fuel		11,131	6,303
(c) Repairs to Buildings		250	228
(d) Repairs to Machinery		1,326	1,095
(e) Other Repairs		972	746
(f) Labour/Processing Charges		4,436	4,417
(g) Rent		1,487	1,374
(h) Rates and Taxes		734	639
(i) Insurance Charges		936	877
(j) Exchange Difference (Net)		—	94
(k) Commission on Sales		7,032	4,285
(l) Advertisement and Sales Promotion		1,914	2,316
(m) Travelling and Conveyance		3,618	3,000
(n) Legal and Professional Fees		1,762	3,298
(o) Charity and Donations (Refer Note No.11 in Schedule 'T')		635	709
(p) Bad Debts written off		89	23
(q) Provision for Doubtful Debts and Advances (Net)		370	369
(r) Provision for Diminutions in value of Long-term investments (Net)		208	592
(s) Effluent Disposal Charges		2,875	1,917
(t) Assets written off		729	383
(u) Loss on Sale of Assets (Net)		—	26
(v) Directors' Sitting Fees		3	4
(w) Other Expenses		3,179	3,021
			<u>38,352</u>
5. CONTAINERS AND PACKING MATERIALS CONSUMED		46,578	38,352
6. TRANSPORT CHARGES		13,885	10,918
		<u>9,751</u>	<u>7,648</u>
TOTAL		<u>249,718</u>	<u>206,815</u>
SCHEDULE 'S':			
INTEREST AND OTHER FINANCIAL COSTS:			
1. On Debentures		10,140	3,813
2. On Term Loans		3,402	3,329
3. On Cash Credit and Working Capital Demand Loan Accounts		727	1,105
4. On Fixed Deposits and Fixed Loans		787	236
5. Other Interest		1,179	1,459
6. Cash Discount		983	892
7. Exchange Difference on Borrowings (Net)		11,462	(2,655)
8. Other Financial Charges		684	1,085
			<u>9,264</u>
TOTAL		<u>29,364</u>	<u>9,264</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T':

NOTES ON ACCOUNTS:

NATURE OF OPERATIONS

United Phosphorus Limited is engaged in the business of agrochemicals, industrial chemicals, chemical intermediates and specialty chemicals.

1. SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied and are consistent with those used in the previous year.

(b) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(c) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation.

(d) Depreciation:

(i) Leasehold Land:

No amount has been written off against leasehold land since as per the lease agreements, the leases are renewable at the option of the Company for a further period of 99 years at the end of the lease period of 99 years, without/marginal payment of further premium.

(ii) Other Fixed Assets:

(a) In respect of all assets at Ankleshwar Unit, Jhagadia Unit, Vapi Unit at A-2/1, GIDC, Vapi, Haldia Unit, Research and Development assets and additions to Plant and Machinery from 1st January, 1983 of Vapi Unit at 11, GIDC, Vapi, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956 as under:

(i) At the straight line rates corresponding to the rates applicable under the Income-tax Rules in force at the time of acquisition/installation of the said assets, in accordance with Circular No.1/86 dated 21st May, 1986 issued by the Department of Company Affairs in respect of additions to the aforesaid Fixed Assets upto 1st April, 1987.

(ii) At the straight line rates specified in Schedule XIV of the Companies Act, 1956 in respect of additions to the aforesaid Fixed Assets on or after 2nd April, 1987.

(iii) In respect of additions to the following Plant and Machinery after 1st October, 2001 at the straight line rates specified below:

Membrane used in Caustic Chlorine Plant - 20%

Hot Section in the Power Plant - 33%

Gas Turbine Engine in Power Plant - 16.67%

(b) In respect of all other Fixed Assets, on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956 at the rates specified in Schedule XIV to the Companies Act, 1956.

(c) Assets costing Rs.5,000 or less have been depreciated at the rate of 100%.

(d) In respect of Leasehold Improvement Assets on a straight line basis over the period of the lease which is generally five years.

(e) In respect of additions to/deletions from the Fixed Assets, on pro-rata basis with reference to the month of addition/deletion of the Assets.

(e) Inventories:

(i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

(ii) Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard costing basis. Cost of finished goods includes excise duty, as applicable.

(iii) Traded goods are valued at lower of cost or net realisable value.

(f) Amortisation of Intangible Assets:

(i) Expenditure incurred on product acquisitions is amortised on straight line basis over a period of fifteen years from the month of addition, to match their expected future economic benefits.

(ii) Other intangible assets are amortised on straight line basis over a period of five years.

(g) Investments:

Long-term investments are carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the profit and loss account. Current investments are stated at lower of cost and fair value determined on individual investment basis.

(h) Sale of Trade Receivable

The Company sells insured trade receivables to banks whereby significant risks and rewards are transferred and this transfer is treated as "true sale" for both legal and financial reporting purposes and accordingly, these receivables are not reflected on the balance sheet of the Company.



SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' (Cont'd.) :

- (i) **Export Benefits:**
Duty free imports of raw materials under Advance Licence for imports as per the Import and Export Policy are matched with the exports made against the said licences and the net benefit / obligation is accounted by making suitable adjustments in raw material consumption.
The benefit accrued under the Duty Entitlement Pass Book Scheme as per the Import and Export Policy in respect of exports made under the said scheme is included under the head 'Export Incentives' in 'Other Income from operations'.
- (j) **Retirement Benefits:**
- (i) Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit and loss account in the year when the contributions to the funds are due.
- (ii) Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (iii) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (iv) The Company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is funded with an insurance company in the form of a qualifying insurance policy.
- (v) Actuarial gains/ losses are recognised immediately to the profit and loss account.
- (k) **Revenue recognition**
- (i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.
- (ii) Revenue from sale of Certified Emission Reduction (CER) is recognised as income on delivery thereof in terms of the contract with the respective buyers.
- (iii) Income from services are recognised as and when the services are rendered
- (iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Dividend is recognised when the shareholder's right to receive payment is established by the balance sheet date.
- (l) **Foreign Currency Transactions:**
- (i) Transactions in foreign currency are recorded by applying the exchange rate at the date of the transaction. Monetary items denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates, prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising as a result of the above are recognised as income or expense in the profit and loss account except for exchange differences arising on a monetary item which, in substance, form part of the Company's net investment in a non-integral foreign operation which is accumulated in a Foreign Currency Translation Reserve until the disposal of the net investment. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.
- (ii) In the case of forward contracts not intended for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortised as an expense or income with reference to the spot rate as at the end of the period over the life of the contract. Exchange difference on such contracts are recognised in the statements of profit and loss in the year in which the exchange rate change. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expenses for the year.
- (m) **Derivative Instruments:**
As per the ICAI announcement, accounting for derivative contracts, other than those covered under AS 11, are marked to market on a portfolio basis, and the net loss is charged to the profit and loss account. Net gains are ignored.
- (n) **Research and Development Costs:**
Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortised over the period of expected future benefit.
- (o) **Borrowing Costs:**
Interest and other costs incurred for acquisition and construction of qualifying assets, upto the date of commissioning / installation, are capitalised as part of the cost of the said assets.
- (p) **Assets taken on Lease:**
- (i) **Operating Leases:**
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Rentals and all other expenses in respect of assets taken on lease are debited to Profit and Loss Account on straight line basis over the lease term.
- (ii) **Finance Leases:**
Assets acquired under finance leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised and a corresponding loan liability is recognised. The lease rentals paid are bifurcated into principal and interest component by applying an implicit rate of return. The interest is charged as a period cost and the principal amount is adjusted against the liability recognised in respect of assets taken on financial lease.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.) :

- (q) **Earnings Per Share:**
 Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue.
 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- (r) **Segment Reporting Policies:**
 The Company's operative businesses are organised and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate. The Company accounts for inter-segment sales and transfers as if the sales were to third parties at market prices.
 Unallocable items includes general corporate income and expense items which are not allocated to any business segment.
Segment Policies:
 The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.
- (s) **Cash and cash equivalents**
 Cash and cash equivalents for the purpose of cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (t) **Taxation:**
 Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
 Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
 The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
 MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.
- (u) **Provisions**
 A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an obligation of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet and adjusted to reflect the current best estimates.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR:

	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
(a) Disputed Income-tax Liability (excluding interest)	69	90
(b) Disputed Excise Duty / Service Tax Liability (excluding interest)	7,123	5,470
(c) Disputed Sales-tax Liability	1,157	1,052
(d) Disputed Custom Duty Liability	2,331	2,331
(e) Disputed Fiscal Penalty for cancellation of licences	3,348	3,348
(f) Disputed Penalty on water tax	161	161
(g) Bills discounted under Letter of Credit and remaining unpaid at the date of the Balance Sheet	361	858
(h) Guarantees given by Company's Bankers on behalf of the Company to third parties	11,253	1,736



SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
(i) Corporate guarantees given on behalf of subsidiary companies:		
(i) United Phosphorus Limited, U.K.	15,760	15,091
(ii) United Phosphorus Limited, Hong Kong	3,791	3,816
(iii) United Phosphorus Inc. USA	5,452	5,488
(iv) United Phosphorus Inc. USA/Cerexagri Inc (PA)	1,115	1,122
(v) Evofarms SA - Columbia	1,115	1,122
(vi) United Phosphorus Limited, Columbia	669	673
(vii) United Phosphorus Limited, Australia	1,561	1,571
(viii) Bio-Win Corporation Limited, Mauritius	7,581	12,122
(ix) Cerexagri Italia, SRL, Italy	7,605	7,283
(x) Ceraxagri SAS., France	12,676	12,138
(xi) Ceraxagri B.V., Netherlands	13,309	12,745
(xii) Icona S.A. Argentina	4,460	-
(xiii) Uniphos Columbia Plant Limited, Columbia	6,689	-
(j) Claims against the Company not acknowledged as debts	424	428
3. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,820	1,164
4. The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".		
5. Provision for Taxation includes Provision for Wealth-Tax	10	10
6. Research and Development costs, as certified by the Management, debited to the Profit and Loss Account :		
a) Revenue Expenses debited to appropriate heads of account	1,052	1,004
b) Depreciation on Research and Development Assets	100	98
7. Auditors' Remuneration:		
a) Audit Fees	67	60
b) For other matters	26	37
c) For Certification work	2	2
d) Reimbursement of out-of-pocket expenses	2	1
Note: Audit Fees includes fees for auditing consolidated financial statements amounting to Rs.15 lacs (Previous Year: Rs.15 lacs) and Rs. 12 lacs (Previous Year: Rs. 5 lacs) for quarterly limited reviews.		
8. Deferred Payment Liabilities:		
(a) are net of interest in respect of future installments	51	439
(b) repayable within one year (net of interest)	26	439
9. Minimum Lease Payments in respect of assets acquired under finance leases are as under:		
(a) Payable not later than 1 year	—	14
(b) Payable later than 1 year and not later than 5 years	—	—
Total Minimum Lease Payments	—	14
Less: Future Finance Charges	—	1
Present Value of Minimum Lease Payments	—	13
10. Pre-operative expenses capitalised:		
a) Interest	197	419
b) Salaries, wages and Other Expenses	66	37
11. Details of Donations to Political parties :		
Bharatiya Janata Party	2	75
Madhya Pradesh Congress Party	—	75
Suresh Prabhu	—	5

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SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT SCHEDULE 'T' (Cont'd.):

	Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
12. (a) Managerial remuneration for Managing/Wholetime Directors:		
i. Salaries	582	498
ii. Contribution to Provident Fund	70	60
iii. Superannuation Scheme	87	75
iv. Gratuity	28	24
v. Perquisites	90	74
vi. Commission	330	350
TOTAL	1,187	1,081
(b) Computation of Commission payable to Managing/ Wholetime Directors Profit before Taxation.	21,023	24,840
Add: (i) Depreciation charged in Accounts	9,276	8,732
(ii) Managerial Remuneration	1,187	1,081
(iii) Director's Fees	3	4
(iv) Commission to other Directors	20	12
(v) Assets Written off	729	383
(vi) Loss on Sale of Assets	—	26
(vii) Provision for Doubtful Debts and Advances	502	494
	11,717	10,732
Less: (i) Depreciation as per the Companies Act, 1956	9,276	8,732
(ii) Profit on sale of Fixed Assets as per Accounts	6	—
(iii) Profit on Sale of Investments	1,826	220
	11,108	8,952
	21,632	26,620
Net Profit as per Section 309(5) of the Companies Act, 1956.		
Commission to Managing/Wholetime Directors in terms of agreements.	865	1,065
Restricted to:	330	350
Commission to other Directors @ 1% thereof Rs. 216 lacs. (Previous Year : Rs.266 lacs), which the Directors have agreed to restrict to	20	12
	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
13. Break up of Deferred Tax Assets and Deferred Tax Liabilities:		
a) Deferred Tax Assets:		
(i) Provision for Doubtful debts and advances	1,380	1,319
(ii) Others	534	453
	1,914	1,772
b) Deferred Tax Liabilities:		
(i) Depreciation	8,147	8,872
(ii) Others	74	123
	8,221	8,995
Net Deferred Tax Liabilities (b) - (a)	6,307	7,223
14. A Scheme of Arrangement between the Company and SWAL Corporation Ltd. and their respective Shareholders' under Sections 391 to 394 read with Section 78 and Sections 100 to 103 of the Companies Act, 1956 with the Appointed Date of 1st April 2007, was sanctioned by the Hon'ble Bombay High Court on 29th February 2008 and High Court of Judicature at Gujarat on 16th April 2008 and became effective from 30th April 2008.		
As per the said scheme, reduction of Capital under Sections 100 to 103 of the Companies Act, 1956 was sanctioned and accordingly the debit balance aggregating to Rs. 56,212 lacs in respect of Product Registrations and Product Acquisitions appearing as on 31st March 2007, has been debited to the Securities Premium Account and the General Reserve after adjusting for Deferred Tax arising on account of these assets amounting to Rs. 2,525 lacs on that date.		
As per the ICAI announcement, expense adjusted directly to reserve is net of its tax effect. As per the Court order and legal advice obtained, the Company has taken a consistent view that the tax benefit available is not to be adjusted in respect of amortization of the product registrations and product acquisitions adjusted to the Reserves. The difference in provision for taxation for the year due to this is Rs. 1,709 lacs (Previous Year: Rs 2,332 lacs) though overall, there is no impact on the aggregate of Reserves and Surplus of the Company.		


SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

15. Additional information pursuant to the provisions of paragraphs 3,4C and 4D of Part II of Schedule VI to the Companies Act, 1956:

(A) Licenced Capacity, Installed Capacity and Production:

SR. No.	PRODUCT	Unit	Year Ended March 31, 2011			Year Ended March 31, 2010		
			Licenced Capacity	Installed Capacity	Production	Licenced Capacity	Installed Capacity	Production
1	Speciality Chemicals	Tonnes	12	48	27	12	48	21
2	Chloro-Alkaline Products	Tonnes	106,524	105,402	95,943	101,700	105,402	96,362
		NM3	—	—	11,364,345	—	—	11,182,672
3	Industrial Chemicals	Tonnes	53,904	41,484	30,210	53,904	42,684	26,305
4	Power	MW	48	48	2,204	48	48	2,334
					(lacs KWH)			(lacs KWH)
5	Pesticides	Tonnes	101,164	140,012	69,429	98,264	138,428	65,484
6	Mercury Salts	Tonnes	100	100	—	100	100	—
7	Pesticides Intermediates	Tonnes	42,631	34,872	17,101	42,631	34,872	14,344

Notes:

- Licensed and Installed Capacities are as certified by a Director on which the Auditors have relied, being a technical matter.
 - Licensed capacity represents registered capacity with Directorate General of Technical Development (D.G.T.D.), capacity intimated to D.G.T.D. under Industrial Licensing Policy and/or capacity intimated to Secretary for Industrial Approvals.
 - Production includes quantities produced for captive consumption.
 - During the year, the Company has produced 1,96,85,239 Litres (Previous Year: 1,31,18,838 Litres), 3,25,15,560 Kilograms (Previous Year: 2,52,88,625 Kilograms) and 37,15,270 numbers (Previous Year: 27,68,165 numbers) of formulations out of Technical Grade Products manufactured/purchased by the Company
 - Production includes 3,091 Tonnes (Previous Year: 3,302 Tonnes) produced on Job-Work basis for outside parties.
- (B) The Company has availed the exemption as per the notification dated February 8, 2011 issued by Ministry of Corporate Affairs and accordingly, the additional information pursuant to the provisions of paragraphs 3(i)(a), 3(ii)(a), 3(ii)(b), 3(ii)(d) of Part II of Schedule VI to the Companies Act, 1956 has not been disclosed in the financial statements.

16. Consumption of Raw Materials, Components and Spare Parts.

	Year Ended March 31, 2011		Year Ended March 31, 2010	
	Rs. in lacs	Percentage	Rs. in lacs	Percentage
A. Raw Materials:				
Imported	70,118	53.96	63,550	55.49
Indigenous	59,832	46.04	50,978	44.51
TOTAL	129,950	100.00	114,528	100.00
B. Components and Spare Parts*:				
Imported	—	—	—	—
Indigenous	—	—	—	—
TOTAL	—	—	—	—

* In giving the above information, the Company has taken the view that Components and Spare Parts as referred to in Clause 4(c) of Part II of Schedule VI cover only such items as go directly into production and not those used as spares for repairs and maintenance of Plant and Machinery.

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SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

	Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
17. Value of Imports on C.I.F. basis :		
(a) Raw Materials	73,038	44,147
(b) Components and Spares Parts*	—	—
(c) Capital Goods	620	511
*	In giving the above information, the Company has taken the view that components and spare parts as referred to in Clause 4-D(a) of Part II of Schedule VI cover only such items as go directly into production and not those used as spares for repairs and maintenance of Plant and Machinery	
18. Expenditure in Foreign Currency (on cash basis)		
(a) Commission on Export Sales	4,316	13,605
(b) Foreign Travelling Expenses	502	379
(c) Interest and Bank charges	2,044	5,437
(d) Legal and Professional charges	583	178
(e) Product Registration and Data Access Fees	939	2,111
(f) Purchase of Packing Materials	—	221
(g) Others	597	1,429
19. Amount remitted during the year in Foreign Currency on account of dividends:		
(a) Number of Equity Shareholders	127	137
(b) Number of Equity Shares held	224,105	245,285
(c) Face value per share (Rs.)	2	2
(d) Year to which the dividend related	2009-10	2008-09
(e) Amount remitted (net of tax)	4	4
20. Earnings in Foreign Exchange (on accrual basis) :		
(a) Exports of goods calculated on F.O.B. basis [including exports through Export Houses: Rs.28 lacs (Previous Year: Rs.32 lacs)]	144,575	133,375
(b) Interest/Dividend	3,043	5,020
(c) Others	19	757
21. The Company has 50% ownership interest in United Phosphorus (Bangladesh) Limited, a jointly controlled entity incorporated in Bangladesh. The proportionate interest of the Company in the said entity as per the latest available audited Balance Sheet as at 31st March, 2010 is as under:		
	(Rs. in lacs)	
	2009-10	2008-09
Assets	337	368
Liabilities	232	258
Income	237	402
Expenses	230	374


**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):**
22. Segment information
1. Information about Primary Business Segments (Rs. in lacs)

Particulars	Year Ended March 31, 2011					Year Ended March 31, 2010				
	Agro Chemicals	Industrial Chemicals	Others	Unallocated	Total	Agro Chemicals	Industrial Chemicals	Others	Unallocated	Total
Revenue										
External	224,416	27,187	27,985	1,326	280,914	195,821	27,032	20,783	1,703	245,339
Inter Segment	(26,391)	26,391	—	—	—	(20,511)	20,511	—	—	—
Total Revenue	198,025	53,578	27,985	1,326	280,914	175,310	47,543	20,783	1,703	245,339
Segment Results										
Contribution	45,125	2,412	3,460	202	51,199	41,471	(436)	281	413	41,729
Add: Inter Segment Profit	(4,190)	4,190	—	—	—	(3,503)	3,503	—	—	—
Total Segment Results	40,935	6,602	3,460	202	51,199	37,968	3,067	281	413	41,729
Unallocated Expenses Net of Unallocated Income	—	—	—	—	(812)	—	—	—	—	(7,625)
Interest Expenses	—	—	—	—	(29,364)	—	—	—	—	(9,264)
Profit Before Taxation	—	—	—	—	21,023	—	—	—	—	24,840
Provision for Taxation										
Current Tax	—	—	—	—	5,880	—	—	—	—	4,420
Minimum Alternative Tax	—	—	—	—	—	—	—	—	—	(2,277)
Credit Entitlement	—	—	—	—	—	—	—	—	—	—
Deferred Tax	—	—	—	—	(631)	—	—	—	—	4,568
Tax effects of earlier years	—	—	—	—	24	—	—	—	—	—
Net Profit after Tax	—	—	—	—	15,750	—	—	—	—	18,129
Other Information										
Segment Assets	175,371	26,828	3,439	378,492	584,130	134,862	25,967	4,269	329,073	494,171
Segment Liabilities	63,752	8,085	15,020	271,465	358,322	50,893	6,930	5,698	238,497	302,018
Capital Expenditure	3,782	2,932	16	2,040	8,770	7,556	1,349	50	7,297	16,252
Depreciation	3,537	2,366	22	3,351	9,276	3,153	2,257	19	3,303	8,732
Amortisation	2,192	—	—	—	2,192	2,059	—	—	—	2,059
Non Cash Expenses other than Depreciation	2,448	291	84	796	3,619	2,431	139	58	239	2,867

2. Information about Secondary Business Segments (Rs. in lacs)

	Year Ended March 31, 2011			Year Ended March 31, 2010		
	India	Outside India	Total	India	Outside India	Total
Revenue by Geographical Market						
External	132,771	148,143	280,914	109,981	135,358	245,339
Inter Segment	—	—	—	—	—	—
Total	132,771	148,143	280,914	109,981	135,358	245,339
Carrying amount of Segment Assets	501,238	82,892	584,130	431,630	62,541	494,171
Additions to Fixed Assets (including Intangible assets)	8,770	—	8,770	16,252	—	16,252

3. Notes

- (1) The Company is organised into three main business segments namely :
 - a) Agro Chemicals - comprising of Agrochemicals Technicals and Formulations.
 - b) Industrial Chemicals - comprising of Industrial Chemicals and Speciality Chemicals.
 - c) Others - primarily comprising of Traded Products.
- (2) Segment Revenue in the above segments includes sales, processing charges, rental income and export incentives.
- (3) Inter Segment Revenue is taken as comparable third party average selling price for the year.
- (4) Segment Revenue in the geographical segments considered for disclosure are as follows:
 - a) Revenue within India includes sales to customers located within India.
 - b) Revenue outside India includes sales to customers located outside india
- (5) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on an appropriate basis.

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):**

23. Related party disclosure as required by Accounting Standard (AS) - 18 "Related Party Disclosures" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

(a) Relationship:

(i) Name of the Subsidiary Companies:

Uniphos Limited, Mauritius
 United Phosphorus (Korea) Limited
 United Phosphorus (Shanghai) Company Limited
 United Phosphorus (Taiwan) Limited
 United Phosphorus Cayman Limited
 United Phosphorus de Mexico, S.A. de C.V.
 United Phosphorus do Brasil Ltda
 United Phosphorus GMBH - Germany
 United Phosphorus Holdings B.V., Netherlands
 United Phosphorus Holdings Cooperatief U.A.
 United Phosphorus Inc., U.S.A.
 United Phosphorus Italy S.R.L.
 United Phosphorus Limited Mauritius.
 United Phosphorus Limited, Australia
 United Phosphorus Limited, Belgium S P R L
 United Phosphorus Limited, Colombia
 United Phosphorus Limited, Gibraltar
 United Phosphorus Limited, Hongkong
 United Phosphorus Limited, Japan
 United Phosphorus Limited, New Zealand
 United Phosphorus Limited, U.K.
 United Phosphorus Limited, Zambia
 United Phosphorus Polska Sp.z o.o - Poland
 United Phosphorus Sole Partner Limited, Greece
 United Phosphorus Switzerland Limited.
 United Phosphorus Vietnam Co., Limited
 UPL Investment Private Limited
 Agri pack Zambia Limited
 Agrindustrial, S.A., Spain
 Agrodan, ApS
 Anning Decco Fine Chemical Co. Limited, China
 Bio-win Corporation Limited, Mauritius
 Canegrass LLC, USA
 Cerexagri B.V. - Netherlands
 Cerexagri Costa Rica, S.A.
 Cerexagri Delaware, Inc.,USA
 Cerexagri Italia S.R.L.
 Cerexagri S.A.S., France
 Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey
 Cerexagri, Inc. (PA)
 Citrashine (Pty) Ltd, South Africa
 Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain
 Cropserve Zambia Limited
 Decco Iberica Postcosecha, S.A.U., Spain (formerly Cerexagri Iberica)
 Decco Italia SRL,Italy
 Decco US Post-Harvest Inc (US)
 Decco Worldwide Post-Harvest Holdings B.V.
 Decco Worldwide Post-Harvest Holdings Cooperatief U.A.
 Desarrollo Quimico Industrial, S.A., Spain
 Eddyville Consultants Group, Inc. Panama
 Evofarms Colombia SA
 Evofarms S.A. - Colombia
 Friedshelf 1114 (Pty) Ltd
 Global Chem Trade Corp., Panama
 Icona S A - Argentina
 Icona Sanluis S A - Argentina
 Jiangsu Kaznam Chemical Group.,Panama
 JSC United Phosphorus Limited, Russia
 Phosfonia, S.L.,Spain
 Prime Agri Centre Zambia Limited
 PT Catur Agrodaya Mandiri, Indonesia



**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.) :**

PT. United Phosphorus Indonesia
Regentstreet B.V.
Reposo S.A.I.C., Argentina
Riceco LLC
Safepack Products Limited
Samma International S.R.L., Italy
Samrod Chemicals (Pty) Ltd
Shroffs United Chemicals Limited
SWAL Corporation Limited
Transterra Invest, S. L. U., Spain
Universal Pestochem Limited
Tatva Global Environment (Deonar) Limited

(ii) Name of other related parties with whom transactions have taken place during the year

a) Associate Companies:

Advanta India Limited
Advanta Seed International, Mauritius
Advanta Semilas SAIC, Argentina
Agrinet Solutions Limited
Chemisynth (Vapi) Limited
Kerala Enviro Infrastructure Limited
Pacific Seeds Pty Limited, Australia
Unicorn Seeds Private Limited

b) Joint Venture Companies:

United Phosphorus (Bangladesh) Limited.
Hodogaya UPL Co. Limited, Japan
Nisso TM LLC

c) Enterprises over which key management personnel and their relatives have significant influence:

Bharuch Enviro Infrastructure Limited
Bloom Packaging Private Limited
Bloom Seal Containers Private Limited
Coimbatore Integrated Waste Management Co. Private Limited
Daman Ganga Pulp and Papers Private Limited
Demuric Holdings Private Limited
Entrust Environment Limited
Enviro Technology Limited
Gabo Products Private Limited
Gharpure Engineering and Construction Private Limited
Uniphos Envirotronic Private Limited
Jai Research Foundation
Jai Trust
JRF Biogenomics Limited
Nerka Chemicals Private Limited
Pot Plants
Sanguine Holdings Private Limited
Tatva Global Environment Limited
Ultima Search
Uniphos Agro Industries Limited
Uniphos Enterprises Limited
UPL Environmental Engineers Limited
Vikram Farm

d) Key Management Personnel and their relatives :

Whole Time Directors and their relatives
Mr. Rajnikant.D. Shroff
Mrs. Sandra R. Shroff
Mr. Kalyan Banerjee
Mr. Jaidev R. Shroff
Mr. Arun C. Ashar
Mr. Vikram R. Shroff
Mrs. Shilpa Sagar
Mrs. Asha Ashar
Mr. Navin Ashar

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT Schedule "T" (Cont'd.):

(b) The following transactions were carried out with the related parties in the ordinary course of business:

RELATIONSHIP	SUBSIDIARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE			GRAND TOTAL	
	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	
1. Income											
(A) SALES:											
(i) Sale of Products (Net)											
Bio-win Corporation Limited	105,685	83,469	8	27	138	229	350	1,331	106,181	85,056	
United Phosphorus Limited, Gibraltar	17,216	10,952	-	-	-	-	-	-	17,216	10,952	
SWAL Corporation Limited	46,035	35,711	-	-	-	-	-	-	46,035	35,711	
Others	29,233	19,246	8	27	138	229	350	1,331	29,233	19,246	
	13,201	17,560	-	-	-	-	-	-	13,697	19,147	
(ii) FIXED ASSETS											
Chemisynth (Vapi) Limited	36	-	-	105	-	-	-	2	36	107	
Cerexagri BV, Netherlands	-	-	-	105	-	-	-	-	-	105	
Others	36	-	-	-	-	-	-	2	36	2	
(B) DIVIDEND RECEIVED											
Bio-win Corporation Limited	-	519	84	84	-	-	-	-	84	603	
Advanta India Limited	-	519	84	84	-	-	-	-	84	519	
(C) MANAGEMENT FEES / OTHER SERVICES											
United Phosphorus Limited, U.K.	-	666	-	-	-	-	340	26	340	692	
Cerexagri Costa Rica S.A	-	249	-	-	-	-	-	-	-	249	
Tatva Global Environment Ltd.	-	417	-	-	-	-	340	-	340	417	
Others	-	-	-	-	-	-	-	26	-	26	
(D) REBATES & DISCOUNT GIVEN											
Advanta India Limited	-	-	95	120	-	-	-	-	95	120	
Others	-	-	87	120	-	-	-	-	87	120	
	-	-	8	-	-	-	-	-	8	-	
(E) CASH DISCOUNT RECEIVED											
Advanta India Limited	-	-	412	588	-	-	-	-	412	588	
Others	-	-	391	569	-	-	-	-	391	569	
	-	-	21	19	-	-	-	-	21	19	
2. Expenses											
(A) PURCHASES											
(i) GOODS											
Advanta India Limited	11,222	7,504	10,185	10,967	-	-	2,079	1,635	23,486	20,106	
Pacific Seeds PTY Limited	-	-	9,261	9,264	-	-	-	-	9,261	9,264	
United Phosphorus Limited, Hong Kong	5,383	1,928	-	-	-	-	-	-	5,383	1,928	
Others	5,839	5,576	924	1,703	-	-	2,079	1,635	8,842	8,914	
(ii) FIXED ASSETS											
Decco Italia S.R.L	34	96	-	-	-	-	46	68	80	164	
UPL Environmental Engineers Limited	-	96	-	-	-	-	16	68	16	96	
United Phosphorus Limited, U.K.	-	-	-	-	-	-	-	-	34	68	
Entrust Environment Ltd.	34	-	-	-	-	-	30	-	30	-	



SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT Schedule "T" (Cont'd.):

(b) The following transactions were carried out with the related parties in the ordinary course of business:

RELATIONSHIP	SUBSIDIARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)
NATURE OF TRANSACTIONS:										
(iii) INTANGIBLE ASSETS										
United Phosphorus Limited, Japan	719	337	-	-	-	-	339	169	1,058	506
Jai Research Foundation	532	337	-	-	-	-	339	-	532	337
United Phosphorus Limited, Korea	187	-	-	-	-	-	-	169	339	169
(B) SERVICES										
Advanta India Limited	-	2	248	940	-	-	2,007	1,560	2,255	2,502
Chemisynth (Vapi) Limited	-	-	-	652	-	-	-	-	-	652
Bharuch Enviro Infrastructure Limited	-	-	248	287	-	-	1,825	1,124	248	287
Others	-	2	-	1	-	-	182	436	1,825	1,124
(C) RENT										
Bloom Packaging Private Limited	-	-	-	-	-	-	34	23	34	23
Daman Gangs Pulp & Papers Private Limited	-	-	-	-	-	-	6	6	6	6
Sanguine Holdings Private Limited	-	-	-	-	-	-	12	9	12	9
Demuric Holdings Pvt Ltd	-	-	-	-	-	-	5	5	5	5
Ultima Search	-	-	-	-	-	-	5	-	5	-
Others	-	-	-	-	-	-	6	5	6	5
(D) COMMISSION ON EXPORTS										
Bio-win Corporation Limited	3,421	1,303	53	-	-	-	-	-	3,474	1,303
Others	3,421	1,303	53	-	-	-	-	-	3,421	1,303
(E) PURCHASE OF DEPB LICENSE										
SWAL Corporation Limited	-	1	-	-	-	-	-	-	-	1
3. TRANSFER OF SECURITY DEPOSITS FROM										
Advanta India Limited	-	-	23	123	-	-	-	-	23	123
Others	-	-	23	110	-	-	-	-	23	110
4. TRANSFER OF CUSTOMER BALANCES FROM										
Advanta India Limited	-	-	-	721	-	-	-	-	-	721
Unicorn Seeds Private Limited	-	-	-	695	-	-	-	-	-	695
5. FINANCE										
(A) LOAN/INTERCORPORATE DEPOSITS GIVEN										
Bio-win Corporation Limited	83,113	13,709	11,275	15,078	-	-	19,334	8,782	113,722	37,569
Advanta India Limited	83,063	13,709	11,275	15,078	-	-	-	-	83,063	13,709
Uniphos Enterprises Limited	-	-	-	-	-	-	14,066	6,623	11,275	15,078
Others	50	-	-	-	-	-	5,268	2,159	14,066	6,623
(B) INTEREST PAID										
Demuric Holdings Pvt Ltd	-	-	-	-	-	-	216	-	216	-
Others	-	-	-	-	-	-	203	-	203	-
	-	-	-	-	-	-	13	-	13	-

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT Schedule "T" (Cont'd.):

(b) The following transactions were carried out with the related parties in the ordinary course of business:

RELATIONSHIP	SUBSIDIARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)
(C) INTEREST RECEIVED										
Bio-win Corporation Limited	3,995	5,013	3,684	1,050	-	222	1,080	7,143		7,143
Advanta India Limited	3,897	4,875	3,684	1,018	-	-	-	3,897		4,875
Uniphos Enterprises Limited	-	-	-	-	-	40	987	40		1,018
Others	98	138	-	32	-	182	93	280		987
										263
(D) PURCHASE OF SHARES/ NCD/ COMMERCIAL PAPERS										
Bio-win Corporation Limited	27,065	9,999	-	28,000	-	-	2,355	27,065		40,354
Tatva Global Environment Limited	27,020	9,297	-	-	-	-	1,855	27,020		9,297
Advanta India Limited	-	-	-	28,000	-	-	-	-		1,855
Others	45	702	-	-	-	-	500	45		28,000
										1,202
(E) SALE/REDEMPTION OF SHARES/NCD/ COMMERCIAL PAPERS										
Bio-win Corporation Limited	-	10,048	-	27,000	-	19,866	-	19,866		37,048
Advanta India Limited	-	9,346	-	27,000	-	-	-	-		9,346
Demuric Holdings Pvt Ltd	-	-	-	-	-	19,866	-	19,866		27,000
Others	-	702	-	-	-	-	-	-		702
(F) SHARE/ BOND APPLICATION/MONEY PAID										
UPL Investment Private Limited	1,000	-	-	-	-	-	-	1,000		-
	1,000	-	-	-	-	-	-	1,000		-
(G) LOANS / INTER COMPANY DEPOSITS TAKEN DURING THE YEAR										
Demuric Holdings Pvt Ltd	-	-	-	-	-	8,918	-	8,918		-
UPL Environmental Engineers Ltd	-	-	-	-	-	7,145	-	7,145		-
	-	-	-	-	-	1,773	-	1,773		-
6. (A) REIMBURSEMENTS RECEIVED										
Bio-win Corporation Limited	225	116	7	1	-	38	32	270		149
UPL Environmental Engineers Limited	37	30	-	-	-	-	-	37		30
United Phosphorus Inc., U.S.A	-	43	-	-	-	5	20	5		20
SWAL Corporation Limited	87	43	-	-	-	-	-	87		43
United Phosphorus Inc., Gibraltar	94	-	-	-	-	-	-	94		43
Others	7	-	7	1	-	33	12	47		13
(B) REIMBURSEMENTS MADE										
SWAL Corporation Limited	189	479	8	17	-	26	3	223		499
United Phosphorus Limited, Japan	28	-	-	-	-	-	-	28		-
Decco US Post Harvest Inc (US)	40	261	-	-	-	-	-	40		261
Cerexagri B.V.	114	200	-	-	-	-	-	114		200
Others	7	18	8	17	-	26	3	41		38



SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT Schedule "T" (Cont'd.) :

(b) The following transactions were carried out with the related parties in the ordinary course of business:

RELATIONSHIP	SUBSIDIARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)
NATURE OF TRANSACTIONS:										
7. (A) OUTSTANDING AT THE YEAR END										
CREDITORS	10,796	5,538	11	265	-	-	460	439	11,267	6,242
Bio-win Corporation Limited	2,962	1,253	-	-	-	-	-	-	2,962	1,253
United Phosphorus Limited, Hong Kong	3,878	1,192	-	-	-	-	-	-	3,878	1,192
Cerexagri BV, Netherlands	1,392	837	-	-	-	-	-	-	1,392	837
Cerexagri S.A.S., France	1,234	998	-	-	-	-	-	-	1,234	998
Others	1,330	1,258	11	265	-	-	460	439	1,801	1,962
(B) RECEIVABLE	70,987	44,759	641	863	29	17	101	597	71,758	46,236
United Phosphorus Limited, Gibraltar	36,117	24,166	-	-	-	-	-	-	36,117	24,166
SWAL Corporation Limited	14,167	7,918	-	-	-	-	-	-	14,167	7,918
Bio-win Corporation Limited	13,979	7,822	-	-	-	-	-	-	13,979	7,822
Others	6,724	4,853	641	863	29	17	101	597	7,495	6,330
(C) LOANS AND ADVANCES GIVEN										
(Refer Note 1 below)	158,382	140,734	-	-	-	-	-	706	158,382	141,440
Bio-win Corporation Limited	158,382	1,38,982	-	-	-	-	-	706	158,382	138,982
Others	-	1,752	-	-	-	-	-	-	-	2,458
(D) INTEREST RECEIVABLE	932	905	40	165	-	-	24	240	996	1,310
Bio-win Corporation Limited	880	905	-	-	-	-	-	-	880	905
Tatva Global Environment Limited	-	-	-	-	-	-	19	168	19	168
Others	52	-	40	165	-	-	5	72	97	237
(E) INTEREST PAYABLE	-	-	-	-	-	-	203	-	203	-
Demuric Holdings Pvt Ltd	-	-	-	-	-	-	203	-	203	-
(F) LOANS PAYABLE	-	-	-	-	-	-	651	-	651	-
Demuric Holdings Pvt Ltd	-	-	-	-	-	-	651	-	651	-
(G) MANAGEMENT FEES RECEIVABLE	-	-	-	-	-	-	375	-	375	-
Tatva Global Environment Limited	-	-	-	-	-	-	375	-	375	-
(H) SHARE / BOND APPLICATION MONEY	1,500	-	-	-	-	-	-	501	1,500	501
UPL Investment Private Limited	1,500	-	-	-	-	-	-	501	1,500	501
8. GUARANTEES GIVEN ON BEHALF OF COMPANIES.	81,783	73,171	-	-	-	-	-	-	81,783	73,171
United Phosphorus Limited, U.K.	15,760	15,091	-	-	-	-	-	-	15,760	15,091
Bio-win Corporation Limited	7,581	12,122	-	-	-	-	-	-	7,581	12,122
Cerexagri S.A.S., France	12,676	12,138	-	-	-	-	-	-	12,676	12,138
Cerexagri BV, Netherlands	13,309	12,745	-	-	-	-	-	-	13,309	12,745
Others	32,457	21,075	-	-	-	-	-	-	32,457	21,075

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SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

Note 1

Nature of Relationship	2010-11 (Rs in lacs)		2009-10 (Rs in lacs)	
	Amount outstanding at the year end(**)	Maximum amount of loan outstanding during the year	Amount outstanding at the year end(**)	Maximum amount of loan outstanding during the year
Subsidiaries and Associates				
Bio-win Corporation Limited	158,382	178,958	138,982	169,302
SWAL Corporation Limited	-	1,650	1,650	1,650
Shroffs United Chemicals Limited	-	102	102	102
Advanta India Limited	-	10,713	-	7,300

(**) There is no repayment schedule in respect of these loans.

	Year Ended March 31, 2011 Rs in lacs	Year Ended March 31, 2010 Rs in lacs
(c) Transactions with Directors and their Relatives		
Remuneration	1,187	1,081
Rent Paid	141	186
Professional Fees	6	29
Outstandings as at the Balance Sheet Date:		
Remuneration Payable	311	318
Sundry Deposits given	58	58
Rent Payable	—	1
Professional Fees Payable / (Receivable)	(5)	3

24. Foreign exchange derivatives and exposures outstanding as at the Balance Sheet date:

Nature of Instrument	Currency	Year Ended March 31, 2011	Year Ended March 31, 2010	Purpose - Hedging/ Speculation
		Amount outstanding (in 000)	Amount outstanding (in 000)	
1) Forward contract - Sell	USD	41,000	107,555	Hedging
2) Forward contract - Buy	EUR	—	5,000	Hedging
3) Derivative contracts				
(i) (a) Option Receivable	JPY	15,194,400	18,109,000	Hedging
(b) Option Payable	USD	183,540	194,595	Hedging
(ii) Currency Swap contracts - payable	USD	—	20,000	Hedging
	EUR	—	12,518	Hedging
(iii) Full Currency Interest Rate Swap contracts - payable	USD	189,994	—	
4) Un-hedged Foreign Currency Exposure on:				
(i) Payable	USD	342,360	175,498	
	EUR	15,257	5,970	
	GBP	211	156	
	JPY	15,302,318	18,234,661	
	AED	11	—	
	NZD	1	—	
(ii) Receivable	USD	409,646	267,105	
	EUR	60,438	62,287	
	GBP	152	231	
	AUD	4,635	1,483	
	AED	382	—	



SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

		Year Ended March 31, 2011 Rs in lacs	Year Ended March 31, 2010 Rs in lacs
25. Earning per Share			
(a) Basic Earning Per Share:			
Profit after taxation as per Profit and Loss Account	(A)	15,750	18,129
Weighted number of Equity Shares Outstanding	(B)	447,773,464	439,563,568
Basic Earning Per Share (in Rupees)	(A)/(B)	3.52	4.12
Nominal value of equity shares (in Rupees)		2.00	2.00
(b) Dilluted Earning Per Share:			
Profit after taxation as per Profit and Loss Account		15,750	18,129
Add: Increase in profit attributable to equity shareholders (net of tax)		—	100
	(A)	15,750	18,229
Weighted number of Equity Shares Outstanding		447,773,464	439,563,568
Add: Dilutive impact of Foreign Currency Convertible Bonds		—	22,920,856
Weighted number of Equity Shares for Computing diluted earning per share	(B)	447,773,464	462,484,424
Dilluted Earning Per Share (in Rupees)	(A)/(B)	3.52	3.94
Nominal value of equity share (in Rupees)		2.00	2.00

26. Retirement Benefits:

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

a) The amounts recognised in the statement of Profit and Loss Account are as follows:

(i) Defined Benefit Plan	Gratuity	
	Year Ended March 31, 2011	Year Ended March 31, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost	140	124
Interest cost on benefit obligation	85	81
Expected return on plan assets	116	68
Net actuarial gain/(loss) recognised during the year	184	258
Amount included under the head payments to and provisions for employees in Schedule 'R' Manufacturing and Other Expenses.	293	(121)
Actual return on plan assets	100	138
(ii) Defined Contribution Plan	Provident Fund	
	Year ended March 31, 2011	Year Ended March 31, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost included under the head payments to and provisions for employees in Schedule 'R' Manufacturing and Other Expenses.	521	437
(iii) Defined Contribution Plan	Superannuation Fund	
	Year ended March 31, 2011	Year Ended March 31, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost included under the head payments to and provisions for employees in Schedule 'R' Manufacturing and Other Expenses.	349	270

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SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):

b) The amounts recognised in the Balance Sheet are as follows:

	Defined Benefit Plan - Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Present value of funded obligation	1,435	1,098
Less: Fair value of plan assets	1,602	1,402
Net Liability is included in Schedule 'M' - Liabilities	—	—
Net Asset is included in Schedule 'L' - Loans and Advances	167	304

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Opening defined benefit obligation	1,098	1,081
Interest cost	85	81
Current service cost	140	124
Benefits paid	(56)	—
Actuarial (gains) / loss on obligation	168	(188)
Closing defined benefit obligation	1,435	1,098

d) Changes in the fair value of plan assets are as follows:

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Opening fair value of plan assets	1,402	903
Expected return	116	68
Contributions made by employer during the year	100	361
Benefits paid	—	—
Actuarial Gain / (Loss) on plan assets	(16)	70
Closing fair value of plan assets	1,602	1,402

e) Expected contribution to defined benefit plan for the year 2011 - 12

	Gratuity (Rs. in Lacs)
Expected contribution to defined benefit plan for the year 2011 - 12	100

f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	%	%
Investments with insurer under:		
(a) Funds Managed by Insurer	100	—
(b) Group Balanced Fund	—	63.96
(c) Corporate Bond Fund	—	36.04

g) The principal actuarial assumptions at the Balance Sheet date.

	As at 31st March, 2011	As at 31st March, 2010
Discount rate	7.75%	8.00%
Expected rate of return on plan assets	8.00%	8.00%
Mortality table	LIC (1994 - 96) published table of Mortality Rates	LIC (1994 - 96) Ultimate
Proportion of employees opting for early retirement	5% at younger ages & reducing to 1% at old age on graduated scale	5% for age 18 to 49 and 1% thereafter

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
SCHEDULE 'T' (Cont'd.):**

and other relevant factors such as supply and demand in the employment market.

h). Experience Adjustment

	April 2010 - March 2011	April 2009 - March 2010
Experience adjustments on plan liabilities (Gain)/Loss	(138)	(143)
Experience adjustments on plan Assets (Gain)/Loss	16	70

27. Foreign Currency Convertible Bonds

200 Series B Foreign Currency Convertible Bonds of USD 10,000 each have been redeemed on maturity date of 7.1.2011 at 130.87 percent of its principal amount. The premium paid on redemption amounting to Rs. 187 lacs (Net of tax) has been adjusted against Securities Premium Account.

28. Previous Year's figures have been regrouped/rearranged wherever necessary.

SIGNATURE TO SCHEDULES 'A' TO 'T'**As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES**

Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni

Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

M. B. TRIVEDI
Company Secretary

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Additional Information as required under Part IV of Schedule VI to the Companies Act 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(i) Registration Details				
Registration No.	25132	State Code:	04	
Balance Sheet Date	3 1		0 3	2 0 1 1
	Date		Month	Year
(ii) Capital raised during the year (Amount in Rs. Thousands)				
Public Issue	NIL	Rights issue	NIL	
Bonus Issue	NIL	Private Placement/ Bond Conversions	44,481	
(iii) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)				
Total Liabilities	47,612,970	Total Assets	47,612,970	
Sources of Funds		Reserves & Surplus	21,657,170	
Paid up Capital	923,609	Unsecured Loans *	20,842,658	
Warrant Application Money	NIL	Secured Loans	4,189,534	
Application of Funds				
Net Fixed Assets @	9,899,983	Investments	10,118,028	
Net Current Assets	27,594,959	Misc. Expenditure	NIL	
Accumulated Losses	NIL			
* Including Deferred Payment Liabilities of Rs. 5,133 and Deferred Tax Liability of Rs. 6,30,670 @ including Intangible Assets of Rs.12,80,460				
(iv) Performance of Company (Amount in Rs. Thousands)				
Turnover (Total Revenue)	30,646,888	Total Expenditure	28,544,679	
+ / - Profit/Loss before Tax	2,102,209	+ / - Profit/Loss after Tax	1,574,950	
Earning per Share in Rs.	3.52	Dividend Rate %	100	
(v) Generic Names of Three Principal Products/Services of the Company (As per monetary terms)				
Item Code No. (ITC Code)		38089210		
Product Description		MANCOZEB		
Item Code No. (ITC Code)		3808500		
Product Description		MONOCROTOPHOS		
Item Code No. (ITC Code)		38089910		
Product Description		ACEPHATE		

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

S. KRISHNAN
Chief Financial Officer

A. C. ASHAR
Whole-time Director

M.B. TRIVEDI
Company Secretary

Mumbai, 29th April, 2011

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors
United Phosphorus Limited

1. We have audited the attached consolidated balance sheet of United Phosphorus Limited ('the Company') and its subsidiaries, associates and the joint venture companies (together referred to as 'the Group'), as at March 31, 2011, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, whose financial statements, prepared under the generally accepted accounting principles ('GAAPs') accepted in the respective countries, reflect in relation to the amounts considered in the consolidated financial statements, total assets of Rs 418,370.71 lacs as at March 31, 2011 and the total revenue of Rs 296,291.96 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors, who have submitted their audit opinions, prepared under generally accepted auditing standards of their respective countries, to the shareholders / Board of Directors of the respective companies, copies of which have been provided to us by the Company. The management of the Company has converted these audited financial statements of the Company's subsidiaries to accounting principles generally accepted in India, for the purpose of preparation of the Company's consolidated financial statements under accounting principles generally accepted in India. Our opinion, thus, insofar it relates to amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors under the aforementioned GAAPs in respective countries and the aforesaid conversion undertaken by the management; examined by us on a test basis.
4.
 - a) *Universal Pestochem Industries Limited, wherein the Company holds 60% of ownership has not been considered for the purpose of preparation of consolidated financial statements (Refer Note No. 1(b)(i) in Schedule 'S').*
 - b) *Proportionate consolidation in respect of investments in Joint Venture companies, have not been considered in the consolidated financial statements (Refer Note No. 1(b)(ii) in Schedule 'S').*
 - c) *The effect of investment in associate companies, Agrinet Solutions Ltd., Kerala Enviro Infrastructure Limited, Chemisynth (Vapi) Limited and UPL Investment Private Limited, on the financial position and operating results of the Group has not been considered in the consolidated financial statements (Refer Note No. 1(b)(iii) in Schedule 'S').*
5. We report that *except for the matters detailed in paragraph 4 above, the effect of which on the consolidated financial statements is not ascertainable*, the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards ('AS') 21, Consolidated Financial Statements, AS 23, Accounting for Investments in Associates in Consolidated Financial Statements and AS 27, Financial Reporting of Interests in Joint Ventures, notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
6. Without qualifying our opinion, we draw attention to Note No. 15 of Schedule 'S' to the consolidated financial statements. As per legal advice obtained in relation to the Court order, the Holding Company has not adjusted tax benefit in respect of the amortization of the Product Registrations and Product Acquisitions to the reserves, as explained therein.
7. *The Company has not presented the information required to be disclosed by AS 17 – 'Segment Reporting' notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended). This does not have an impact on the profit for the year and the assets, liabilities and reserves as at the year end.*
8. *Subject to the matters stated in paragraphs 4 above, the effect of which on the consolidated financial statements is not ascertainable, and the matter stated in paragraph 7 above which does not have an impact on the profit for the year and the assets, liabilities and reserves as at the year end*, based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at March 31, 2011;
 - (b) in the case of the consolidated profit and loss account, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For S. V. GHATALIA & ASSOCIATES
Firm registration number: 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870

Mumbai,
April 29, 2011



United Phosphorus Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SOURCES OF FUNDS:				
1. SHAREHOLDER'S FUNDS:				
(a) Share Capital	'A'	9,236		8,791
(b) Reserves and Surplus	'B'	363,369		290,390
			372,605	299,181
2. MINORITY INTEREST				
			1,798	1,400
3. LOAN FUNDS:				
(a) Secured Loans	'C'	46,463		40,442
(b) Unsecured Loans	'D'	202,731		197,735
			249,194	238,177
4. DEFERRED PAYMENT LIABILITIES				
			3,737	3,753
5. DEFERRED TAX LIABILITY (Refer Note No. 14 in Schedule 'S')				
			7,313	7,801
	TOTAL		634,647	550,312
APPLICATION OF FUNDS :				
1. FIXED ASSETS:				
(a) Gross Block	'E'	283,910		269,652
(b) Less: Depreciation		131,089		122,862
(c) Net Block		152,821		146,790
(d) Capital Work-in-Progress (Including Capital Advances)		6,583		4,055
			159,404	150,845
2. INTANGIBLE ASSETS				
	'F'		79,264	30,437
3. INVESTMENTS				
	'G'		82,318	76,118
4. DEFERRED TAX ASSET (Refer Note No. 14 in Schedule 'S')				
			8,094	6,652
5. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Inventories	'H'	140,554		100,837
(b) Sundry Debtors	'I'	147,948		121,348
(c) Cash and Bank Balances	'J'	156,586		157,777
(d) Other Current Assets	'K'	7,431		5,137
(e) Loans and Advances	'L'	46,624		46,930
	(A)	499,143		432,029
			329,080	264,052
Less: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	'M'	181,168		134,127
(b) Provisions	'N'	12,408		11,642
	(B)	193,576		145,769
NET CURRENT ASSETS	(A - B)		305,567	286,260
	TOTAL		634,647	550,312
	'S'			

NOTES ON ACCOUNTS

The Schedules referred to above and notes to accounts form an integral part of the Consolidated Balance Sheet

As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES
Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

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CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>Schedule</u>	<u>Rs. in lacs</u>	Year ended 31st March, 2011 <u>Rs. in lacs</u>	Year ended 31st March, 2010 <u>Rs. in lacs</u>
INCOME:				
Sale of Products (Net)			564,969	529,004
Other income from operations	'O'		15,482	16,846
Other Income	'P'		9,366	3,429
			<u>589,817</u>	<u>549,279</u>
EXPENDITURE:				
Manufacturing and Other Expenses	'Q'	469,393		445,890
Amortisation / Depreciation		21,380		21,470
Interest and Other Financial Costs	'R'	31,200		19,379
			<u>521,973</u>	<u>486,739</u>
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS			67,844	62,540
Exceptional Items - Restructuring Costs (Refer Note No. 16 in Schedule 'S')			<u>1,400</u>	<u>2,670</u>
PROFIT BEFORE TAXATION			66,444	59,870
Less : Provision for Taxation:				
Current Tax		9,597		3,720
Tax effect of earlier year		(793)		401
Deferred tax charge / (credit)		(1,496)		4,415
			<u>7,308</u>	<u>8,536</u>
PROFIT AFTER TAXATION			59,136	51,334
Less: Minority Interest		1,036		593
Add: Share of Profit / (loss) in Associate		(1,417)		1,875
Less: Prior Period Adjustments - Associate		921		—
			<u>(3,374)</u>	<u>1,282</u>
PROFIT AFTER TAXATION AND MINORITY INTEREST			55,762	52,616
Balance brought forward from previous year			<u>123,693</u>	<u>86,929</u>
AMOUNT AVAILABLE FOR APPROPRIATION			179,455	139,545
Add: Debenture Redemption Reserve written back			30,448	4,402
Less: (a) Debenture Redemption Reserve			6,605	8,003
(b) Amount Transferred to General Reserve			27,500	2,000
(c) Final Dividend on Equity Shares			9,261	8,791
(d) Tax on Equity Dividend			1,502	1,460
			<u>165,035</u>	<u>123,693</u>
Balance Carried to Balance Sheet				
CONSOLIDATED EARNING PER SHARE				
(Refer Note No. 12 in Schedule 'S')				
Basic Earning Per Share after exceptional items (Rs.)			12.45	11.97
Basic Earning Per Share before exceptional items (Rs.)			12.77	12.58
Diluted Earning Per Share after exceptional items (Rs.)			12.45	11.40
Diluted Earning Per Share before exceptional items (Rs.)			12.77	11.98
Face Value Per Share (Rs.)			2.00	2.00

NOTES ON ACCOUNTS

'S'

The Schedules referred to above and notes to accounts form an integral part of the Consolidated profit and loss account.

As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES
Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

S. KRISHNAN
Chief Financial Officer

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	For the year ended March 31, 2011		For the year ended March 31, 2010	
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
A Cash Flow from Operating Activities		67,844		62,540
Profit Before Taxation And Exceptional Items		67,844		62,540
Adjustments for:				
Provision for Depreciation/Amortisation	21,380		21,470	
Interest Expense	20,307		15,033	
Provision for Doubtful Debts and Advances(Net)	485		324	
Assets written off	851		431	
(Profit) / Loss on sale of assets (Net)	(177)		(349)	
Bad Debts and Sundry Debit Balances Written Off	400		1,287	
Dividend/Interest on Investment	(3,223)		(194)	
Other Interest Income	(4,178)		(2,811)	
Manufacturing Expenses Capitalised	(66)		(37)	
Exchange Difference & Finance charges	10,892		4,346	
Provisions for Diminution in Value of Long-Term Investments	208		592	
Excess Provision Written Back	(2,125)		(1,895)	
Sundry Credit balances written back	(197)		(148)	
(Profit) / Loss on sale of Investments (Net)	(1,827)		(270)	
		42,730		37,779
Operating Profit before Working Capital Changes		110,574		100,319
Adjustments for :				
Inventories	(33,660)		68,176	
Trade and Other Receivables	(27,274)		(11,987)	
Trade Payables and Other Liabilities	42,093		(15,949)	
		(18,841)		40,240
Cash Generated from Operations		91,733		140,559
Taxes (Paid) / Refund		(8,852)		(8,530)
Cash Flow Before Exceptional Items		82,881		132,029
Exceptional Items		(1,400)		(2,670)
Net Cash from Operating Activities		81,481		129,359
B Cash flow from Investing Activities				
Purchase of Fixed Assets	(15,175)		(12,545)	
Sale of Fixed Assets	1,473		301	
Purchase of Intangible Assets	(55,902)		(10,601)	
Acquisition of Subsidiary	(10,674)		-	
Purchase of Investments	(44,251)		(29,030)	
Sale of Investments	27,000		2,731	
Sundry Loans	976		27,058	
Dividend Received	3,223		194	
Income from Current Investment	1,827		220	
Interest Received	3,419		4,051	
Net cash from / (used in) Investing activities		(88,084)		(17,621)
C Cash Flow from Financing Activities				
Borrowings(Net)	28,876		28,495	
Exchange fluctuation Difference	(8,113)		(1,131)	
Interest paid and other financial charges	(10,948)		(18,438)	
Dividend paid to Minority Shareholders by subsidiary	(668)			
Dividends Paid	(8,773)		(6,565)	
Tax on distributed Profits	(1,464)		(1,121)	
Bond/Notes/Debenture Issue Expenses	(580)		(104)	
Net Cash from Financing Activities		(1,670)		1,136
D Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve		(1,493)		(6,480)
Net Increase in Cash and Cash Equivalents (A + B + C + D)		(9,766)		106,394
Cash and Cash Equivalents as at the Beginning of the Year		161,780		55,386
Add: Cash and Cash Equivalents on acquisition of subsidiary		72		-
Cash and Cash Equivalents as at the Close of the Year		152,086		161,780
Note: Cash and Cash Equivalents as at the year end includes:				
Cash and Bank Balances as per Balance sheet *		156,586		157,777
Less: in Fixed Deposit account		28,500		25,000
Add: Short-term investments		128,086		132,777
		24,000		29,003
		152,086		161,780

* Bank balances include unclaimed dividend of Rs. 136 lacs (Previous Year: Rs.93 lacs) which is not available for use by the Group as they represent corresponding unpaid dividend liability.

As per our attached Report of even date
For S.V. GHATALIA & ASSOCIATES
Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni
Partner
Membership No. 41870
Mumbai, 29th April, 2011

For and on behalf of Board of Directors of United Phosphorus Limited

R. D. SHROFF
Chairman and Managing Director

A. C. ASHAR
Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN
Chief Financial Officer

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SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	<u>As at 31st March, 2011 Rs. in lacs</u>	<u>As at 31st March, 2010 Rs. in lacs</u>
SCHEDULE 'A':		
SHARE CAPITAL:		
Authorised:		
127,50,00,000 (Previous Year : 127,50,00,000) Equity Shares of Rs.2 each	25,500	25,500
1,40,00,000 (Previous Year : 1,40,00,000) Preference Shares of Rs. 100 each	14,000	14,000
50,00,000 (Previous Year : 50,00,000) Preference Shares of Rs. 10 each	500	500
	<u>40,000</u>	<u>40,000</u>
Issued, Subscribed and Paid-up:		
46,18,04,274 (Previous year: 43,95,63,568) Equity Shares of Rs. 2 each Fully paid-up	9,236	8,791
TOTAL	<u>9,236</u>	<u>8,791</u>

Note: During the year, the Company has issued 22,240,706 (Previous year: Nil), equity shares of Rs. 2 each fully paid up on conversion of 654 Foreign Currency Convertible Bonds of USD 100,000 each.

	<u>Rs. in lacs</u>	<u>As at 31st March, 2011 Rs. in lacs</u>	<u>As at 31st March, 2010 Rs. in lacs</u>
SCHEDULE 'B':			
RESERVES AND SURPLUS:			
1. Capital Redemption Reserve		3,312	3,312
2. Securities Premium:			
Balance as per last Balance Sheet	103,170		102,998
Add : Amount arising on conversion of Foreign Currency Convertible Bonds into equity shares	28,878		—
Add: Expenses on issue of Syndicate Notes/Debentures written back	237		328
Less : Expenses incurred on issue of Equity Share / Bonds/ Debentures/Notes (net of tax)	387		104
Less : Premium on redemption of Foreign Currency Convertible Bonds (net of tax). (Refer Note No. 13 in Schedule 'S')	187		52
		131,711	103,170
3. Capital Reserve:			
Balance as per last Balance Sheet	16,272		7,744
Add: Warrant Application Money Forfeited	—		8,528
		16,272	16,272
4. General Reserve:			
Balance as per last Balance Sheet	37,519		35,519
Add: Transferred from Profit and Loss Account	27,500		2,000
		65,019	37,519
5. Debenture Redemption Reserve:			
Balance as per last Balance Sheet	34,523		30,922
Add: Transferred from Profit and Loss Account	6,605		8,003
	41,128		38,925
Less : Transferred to Profit and Loss Account	30,448		4,402
		10,680	34,523
6. Foreign Currency Translation Reserve:			
Balance as per last Balance Sheet	(28,099)		(17,447)
Add: Exchange difference in respect of non-integral foreign operation	(561)		(10,652)
		(28,660)	(28,099)
7. Balance in Profit and Loss Account		165,035	123,693
TOTAL		<u>363,369</u>	<u>290,390</u>



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'C' :			
SECURED LOANS:			
1. Secured Redeemable Non-convertible Debentures: Face Value of Rs.10,00,000 each fully paid up			
1,700 (Previous Year: 1,700) - 12.2% 7 years (Refer Note No. 1 Below)		17,000	17,000
2. From Banks:			
(a) On Term Loan Accounts (Refer Note No. 2 Below)	1,643		3,954
(b) On Cash Credit, Packing Credit and Working Capital Demand Loan Accounts (Refer Note No. 3 Below)	25,937		16,337
(c) Under Vehicle Finance Schemes	—		8
		27,580	20,299
3. From Others:			
(a) External Commercial Borrowing from International Finance Corporation (Refer Note No. 4 Below)	1,873		3,143
(b) Others	10		—
		1,883	3,143
TOTAL		46,463	40,442

Notes:

- Non convertible Debentures (NCDs) referred in 1 above are redeemable at par in three equal instalments from 27.01.2014 and have a put option at the end of 3rd year i.e. 27.1.2012. These debentures are secured by way of pledge of 65,29,500 equity shares of Advanta India Limited
- Term Loan of Rs.1643 Lacs (Previous Year- Rs. 1954 Lacs) from Sumitomo Mitsui Banking Corporation is secured by way of Pledge of 11,700,000 Shares of Ishihara Sangyo Kaisha Ltd.
- Cash Credit, Packing Credit and Working Capital Demand Loan Accounts from Banks are secured by hypothecation of present and future inventories, book debts, etc. of the Company wherever situated.
- External Commercial Borrowing from International Finance Corporation amounting to Rs. 1,873 lacs (Previous Year: 3143 lacs) is secured by pari-passu first charge by way of hypothecation of specific movable assets, present and future, situated at Jhagadia Unit of the Holding Company.

	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'D' :		
UNSECURED LOANS:		
1. Term Loans from Banks [Repayable within 1 year: Rs.17,509 Lacs (Previous year: Rs 4,265 lacs)]	17,509	16,265
2. Working Capital Loan from Banks [Repayable within 1 year - Rs 4,184 lacs (Previous Year: Rs.8,771 lacs)]	4,184	8,771
3. Short Term Loans from Companies (Repayable on demand)	688	—
4. Foreign Currency Convertible Bonds (Refer Note No. 13, in Schedule 'S' and note below Schedule 'A')	—	30,259
5. Syndicated Notes	—	30,637
6. External Commercial Borrowings [Repayable within 1 year: Rs.81,850 lacs (Previous Year: Nil)]	81,850	73,303
7. Unsecured Debentures	98,500	38,500
TOTAL	202,731	197,735

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

SCHEDULE 'E':
FIXED ASSETS

Sr. No.	Description of Assets	Gross Block						Depreciation						Rs. in lacs		
		As at 1st April, 2010	Taken over in respect of acquisitions during the year	Additions during the year	Deductions during the year	Adjustments during the year (refer note '1' below)	Foreign Exchange Adjustment	As at 31st March, 2011	As at 1st April, 2010	Provided during the year	Deductions during the year (refer note '1' below)	Adjustments during the year	Foreign Exchange Adjustment	As at 31st March, 2011	As at 31st March, 2010	Net Block
1	Goodwill	48,226	-	6,597	-	-	(1)	54,822	-	-	-	-	-	54,822	48,226	
2	Land-Freehold	11,333	-	-	14	-	35	11,354	-	-	-	-	-	11,354	11,333	
3	Land-Leasehold	3,061	-	-	-	-	(15)	3,046	4	-	-	-	32	3,014	3,033	
4	Building	19,159	-	386	106	-	455	19,894	273	457	-	463	12,936	6,502		
5	Building-Leasehold	1,762	-	-	-	-	78	1,840	96	-	-	37	946	949		
6	Plant and Machinery	157,850	39	9,726	5,636	10,900	2,047	174,926	9,221	4,701	7,448	1,823	105,161	66,519		
7	Laboratory Equipments	2,698	-	170	490	-	82	2,460	107	310	-	77	1,959	501		
8	Furniture, Fixtures and Equipments	6,798	130	553	369	93	101	7,306	592	351	90	70	5,527	1,779		
9	Vehicles	2,377	135	438	246	-	38	2,742	213	210	-	28	1,719	1,023		
10	Assets taken on Lease:															
	(a) Plant and Machinery	10,900	-	-	-	(10,900)	-	-	318	-	(7,448)	-	-	-	3,770	
	(b) Computer Equipment	93	-	-	-	(93)	-	-	1	-	(90)	-	-	-	4	
	(c) Furniture, Fixtures and Equipments	1,994	-	184	115	-	(13)	2,050	208	47	-	(2)	527	1,523	1,626	
	(d) Vehicle	-	51	-	-	-	-	51	2	-	-	-	2	49	-	
11	Land Improvements	803	-	-	-	-	35	838	1	-	-	35	834	4	5	
12	Leasehold Improvements	2,598	-	-	-	-	(17)	2,581	455	-	-	(3)	1,446	1,135	1,604	
	Previous year	269,652	304	18,105	6,976	-	2,825	283,910	11,491	6,076	-	2,528	131,089	152,821	146,790	
	Capital Work-in-Progress	262,158	264	20,651	5,212	-	(8,209)	269,652	11,661	5,834	-	(6,605)	122,862	-	-	
	Total													6,583	4,055	
														159,404	150,845	

Notes: 1. Assets taken on lease include Assets of Rs.10,993 lacs (Gross Block) and accumulated depreciation amounting to Rs. 7,538 lacs are transferred to own asset which is shown as adjustment during the year.
2. Capital Work-in-Progress includes Advances for Capital Expenditure Rs. 907 lacs (Previous Year Rs. 93 lacs).

SCHEDULE 'F':
INTANGIBLE ASSETS

Sr. No.	Description of Assets	Gross Block						Amortisation						Rs. in lacs		
		As at 1st April, 2010	Taken over in respect of acquisitions during the year	Additions during the year	Deductions during the year	Adjustments during the year	Foreign Exchange Adjustment	As at 31st March, 2011	As at 1st April, 2010	Provided during the year	Deductions during the year	Adjustments during the year	Foreign Exchange Adjustment	As at 31st March, 2011	As at 31st March, 2010	Net Block
1	Data Access Fees	15,365	-	362	-	-	(40)	15,687	1,656	-	-	(29)	13,353	2,334	3,639	
2	Product Registrations/Acquisitions	80,057	8,738	55,640	55	-	1,193	145,573	8,470	49	-	559	69,458	76,115	26,079	
3	Task Force Expenses	811	-	-	-	-	-	811	8	-	-	-	810	1	9	
4	Software/Licence Fees	2,661	-	211	140	-	110	2,842	61	140	-	106	2,584	258	104	
5	Customer Contracts	673	-	-	-	-	(5)	668	45	-	-	-	112	556	606	
	Total	99,567	8,738	56,213	195	-	1,258	165,581	10,240	189	-	636	86,317	79,264	30,437	
	Previous year	115,332	-	11,372	17,248	-	(9,889)	99,567	12,217	16,477	-	(8,069)	69,130	-	-	



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'G':			
INVESTMENTS :			
I. Long-Term (At Cost):			
1. IN GOVERNMENT SECURITIES			
Unquoted [Face Value Rs. 0.12 Lacs (Previous year Rs 0.07 Lacs)]		—	—
2. TRADE INVESTMENTS			
Quoted (Refer Note No. 3 below)	12,556		11,244
Unquoted			
(i) In Joint Venture Companies (Refer Note No.5 (a) in Schedule 'S')	1,157		242
(ii) In Associate Companies (Refer Note No. 5 (b)(ii) in Schedule 'S')	421		421
(iii) In Other	630		630
		14,764	12,537
			12,537
3. IN SHARES (OTHER THAN TRADE)			
(a) Quoted			
(i) In Associate Company (Refer Note No. 4 below [Includes goodwill of Rs.5,626 lacs (Previous year : Rs. 5,626 Lacs)]	29,431		30,820
(ii) In others	90		90
(b) Unquoted			
(i) In Subsidiary Companies (Refer Note No. 1(b)(i) in Schedule 'S')	18		18
(ii) In Associate Companies (Refer Note No. 5(b)(i) & (iii) in Schedule 'S')	575		575
(iii) In others	1,119		1,069
		31,233	32,572
4. OTHER INVESTMENTS:			
Unquoted		13,394	2,871
II. Current Investment:			
(At cost of market value, whichever is lower):			
In Mutual Funds (Unquoted)		24,000	29,003
		83,391	76,983
Less : Provision for Diminution in value of Long-Term Investments		1,073	865
TOTAL		82,318	76,118

Notes:

- Aggregate amount of Quoted Investments:
Cost (Net of Provision for Diminution) 42,068
Market Value 31,549
42,110
57,254
- Aggregate amount of Unquoted Investments:
Cost (Net of Provision for Diminution) 40,250
34,008
- 11,700,000 shares of Ishihara Sangyo Kaisha Ltd are Plagged as collateral for long term debts taken from Sumitomo Mitsui Bankig Corporation (Refer Note No.2 in Schedule 'C')
- 6,529,500 (Previous Year: 4,730,000) Equity Shares of Advanta India Limited, have been pledged against non-convertible Debentures issued to life Insurance Corporation of India (Also refer Note No.1 in Schedule 'C')

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SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

	<u>Rs. in lacs</u>	<u>As at 31st March, 2011 Rs. in lacs</u>	<u>As at 31st March, 2010 Rs. in lacs</u>
SCHEDULE 'H':			
INVENTORIES:			
(At lower of Cost or Net Realisable Value)			
1. Stores and Spares (including Fuel)		1,918	2,066
2. Packing Materials		5,804	5,004
3. Stock-in-Trade:			
(a) Finished Products and Traded Goods	93,549		65,515
(b) By-Products	800		715
(c) Semi-finished Products	8,398		5,513
(d) Raw Materials	30,085		22,024
		132,832	93,767
TOTAL		140,554	100,837
SCHEDULE 'I':			
SUNDRY DEBTORS:			
UNSECURED:			
Considered Good		147,948	121,348
Considered Doubtful		4,504	3,942
		152,452	125,290
Less : Provision for Doubtful Debts		4,504	3,942
TOTAL		147,948	121,348
SCHEDULE 'J':			
CASH AND BANK BALANCES:			
1. Cash on hand		49	111
2. Bank Balances in India:			
(i) In Current Accounts	6,863		16,247
(ii) In Margin Accounts	237		235
(iii) In Foreign Currency Accounts	432		178
(iv) In Fixed Deposit Accounts	37,500		25,000
(v) In Unclaimed Dividend Accounts	136		93
		45,168	41,753
3. Bank Balances Outside India:			
(i) In Current Accounts	111,369		82,915
(ii) In Fixed Deposit Accounts	—		32,998
		111,369	115,913
TOTAL		156,586	157,777

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

	Rs. in lacs	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
SCHEDULE 'K':			
OTHER CURRENT ASSETS:			
1. Interest Receivable			
Considered Good	1,431		522
Considered Doubtful	5		5
	<u>1,436</u>		<u>527</u>
Less : Provision	5		5
		1,431	522
2. Export Benefits Receivable		5,962	4,395
3. Others:			
Considered Good	38		69
Considered Doubtful	201		287
	<u>239</u>		<u>356</u>
Less : Provision	201		287
		38	69
4. Interest Accrued on Investments		—	151
TOTAL		7,431	5,137
SCHEDULE 'L':			
LOANS AND ADVANCES:			
Unsecured and Considered Good, unless otherwise stated:			
1. Advances recoverable in cash or in kind or for value to be received:			
Considered Good	24,873		22,582
Considered Doubtful	840		660
	<u>25,713</u>		<u>23,242</u>
Less: Provision for Doubtful Advances	840		660
		24,873	22,582
2. Loans and Advances to Employees		503	517
3. Sundry Loans:			
Considered Good	170		1,146
Considered Doubtful	76		76
	<u>246</u>		<u>1,222</u>
Less: Provision for Doubtful Loans	76		76
		170	1,146
4. Deposits with the Collectorate of Central Excise & Customs		5,471	4,483
5. Sundry Deposits		4,192	7,834
6. Minimum Alternate Tax Credit Entitlement		6,723	8,273
7. Payment of Taxes less provision for taxation		3,192	1,594
8. Share/Bond Application Money		1,500	501
TOTAL		46,624	46,930

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET (Cont'd.)

SCHEDULE 'M':	As at 31st March, 2011 Rs. in lacs	As at 31st March, 2010 Rs. in lacs
LIABILITIES:		
1. Short Term Buyer Credit	18,673	9,220
2. Sundry Creditors	113,840	97,955
3. Advances against Orders	14,778	5,041
4. Trade Deposits	1,604	1,314
5. Investor Education and Protection Fund shall be credited by the following amounts, as and when due:		
Unpaid Dividend	136	93
6. Bank Account Excess Drawn	—	769
7. Interest accrued but not due on Loans	8,716	2,547
8. Other liabilities	23,421	17,188
TOTAL	181,168	134,127

SCHEDULE 'N':

PROVISIONS:

1. Proposed Dividend:		
On Equity Shares	9,236	8,791
2. Provision for Tax on Distributed Profits:		
On Equity Shares	1,498	1,460
3. Provision for leave Encashment (Net)	1,674	1,391
TOTAL	12,408	11,642

**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT**

	Year Ended 31st March, 2011 Rs. in lacs	Year Ended 31st March, 2010 Rs. in lacs
SCHEDULE 'O':		
OTHER INCOME FROM OPERATIONS:		
1. Export Incentives	5,015	4,074
2. Job-Work / Service Income	911	795
3. Refund of Excise Duty	2,927	1,627
4. Refund of Sales-tax/Sales-tax set-off	64	323
5. Discount Received	529	701
6. Excess Provisions in respect of earlier years written back (Net)	2,125	1,895
7. Exchange Difference (Net)	1,884	4,870
8. Sundry Credit Balances written back (Net)	197	148
9. Profit on Sale of Fixed Assets	177	349
10. Miscellaneous Receipts	1,653	2,064
TOTAL	15,482	16,846

SCHEDULE 'P':**OTHER INCOME:**

1. Income from Long-Term Investments (Gross)	3,223	194
2. Interest on Loans, Deposits etc. (Gross)	4,178	2,811
3. Rent	138	154
4. Profit on Sale of Investments	1,827	270
TOTAL	9,366	3,429

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SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT (Cont'd.)

	Rs. in lacs	Year Ended 31st March, 2011 Rs. in lacs	Year Ended 31st March, 2010 Rs. in lacs
SCHEDULE 'Q':			
MANUFACTURING AND OTHER EXPENSES:			
1. COST OF RAW MATERIALS, PACKING MATERIALS AND TRADED GOODS		298,806	295,415
2. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		51,464	50,183
3. OPERATING AND OTHER EXPENSES:			
(a) Stores and Spares Consumed	3,765		3,293
(b) Power and Fuel	13,487		7,993
(c) Repairs to Buildings	521		488
(d) Repairs to Machinery	3,962		3,733
(e) Other Repairs	1,745		1,676
(f) Labour / Processing Charges	19,274		14,588
(g) Rent	3,213		3,171
(h) Rates and Taxes	2,478		2,444
(i) Insurance Charges	2,804		2,577
(j) Commission on Sales	4,195		4,039
(k) Advertisement and Sales Promotion	4,642		4,201
(l) Travelling and Conveyance	8,815		6,974
(m) Legal and Professional Fees	8,799		8,965
(n) Charity and Donations	745		787
(o) Bad Debts written off	400		1,287
(p) Provision for Doubtful Debts and Advances	485		324
(q) Assets written off	851		431
(r) Provision for Diminution in value of Investment	208		592
(s) Warehousing Costs	3,426		3,101
(t) Communication Costs	1,676		1,668
(u) Effluent Disposal Charges	4,050		3,494
(v) Registration Charges	2,580		2,028
(w) Other Expenses	4,620		5,822
		96,741	83,676
4. TRANSPORT CHARGES		22,382	16,616
TOTAL		469,393	445,890

SCHEDULE 'R':

INTEREST AND OTHER FINANCIAL COSTS:

1. On Debentures		10,141	3,813
2. On Term Loans		3,411	3,457
3. On Cash Credit and Working Capital Demand Loan Accounts		1,184	1,506
4. On Fixed Deposits and Fixed Loans		899	475
5. Other Interest		1,872	3,442
6. Cash Discount		2,800	2,340
7. Exchange Difference on Borrowings		8,113	1,131
8. Other Financial Charges		2,780	3,215
TOTAL		31,200	19,379



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S':

NOTES TO ACCOUNTS:

NATURE OF OPERATIONS

United Phosphorus Limited and its subsidiaries are engaged in the business of agrochemicals, industrial chemicals, chemical intermediates, specialty chemicals and seeds.

1. Consolidation:

- (a) The consolidated financial statements comprise the financial statements of United Phosphorus Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, associates and joint venture companies (hereinafter referred as "the Group") other than subsidiaries, associates and joint venture companies referred to in note 1(b) below.
- (b) (i) 60% subsidiary company viz. Universal Pesto Chem Industries Limited is not considered for consolidation, since the management intends to dispose off / dilute the majority shareholding in the said subsidiary.
- (ii) Proportionate consolidation in respect of investments in Joint Venture companies, United Phosphorus Limited, Bangladesh, Nisso TM LLC and Hodogaya UPL Co. Limited, Japan have not been considered in the consolidated financial statements. (Also Refer Note No. 5 below).
- (iii) The effect of investment in associate companies, Kerala Enviro Infrastructure Limited, Agrinet Solutions Limited, Chemisynth (Vapi) Limited and UPL Investment Private Limited (Formerly known as UPL Global Eco Private Limited) on the financial position and operating results of the Group has not been considered in the consolidated financial statements. (Also Refer Note No. 5 below).
- (iv) UPL Investment Private Limited (Formerly known as UPL Global Eco Private Limited), a subsidiary of the Holding Company as per the definition under the Companies Act, 1956, incorporated in India has not been considered for consolidation in accordance with Accounting Standard (AS) 21 Consolidated Financial Statements.

The audited financial statements of the aforesaid companies for the year ended March 31, 2011 are not available and hence the same have not been included in the consolidated financial statements. However, the aforesaid joint venture and associate companies not included in the consolidated financial statements are individually and collectively not material to the Group's activity.

- (c) The list of subsidiaries and associates companies considered for consolidation together with the proportion of share holding held by the Group is as follows:

I Subsidiaries

Sr. No.	Name of the Subsidiary	Country of Incorporation	% of Group Holding
1	Shroffs United Chemicals Limited	India	100%
2	SWAL Corporation Limited	India	100%
3	United Phosphorus Limited, U.K.	United Kingdom	100%
4	United Phosphorus GMBH - Germany	Germany	100%
5	United Phosphorus Polska Sp.z o.o - Poland	Poland	100%
6	Cerexagri B.V. - Netherlands	Netherlands	100%
7	United Phosphorus Holdings Cooperatief U.A.	Netherlands	100%
8	United Phosphorus Holdings B.V., Netherlands	Netherlands	100%
9	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Netherlands	100%
10	Decco Worldwide Post-Harvest Holdings B.V.	Netherlands	100%
11	Regentstreet B.V.	Netherlands	100%
12	Desarrollo Quimico Industrial, S.A., Spain	Spain	100%
13	Cerexagri Italia S.R.L.	Italy	100%
14	United Phosphorus Italy S.R.L.	Italy	100%
15	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U., Spain	Spain	100%
16	Agrindustrial, S.A., Spain	Spain	100%
17	Phosfonia, S.L., Spain	Spain	100%
18	Decco Iberica Postcosecha, S.A.U., Spain (formerly Cerexagri Iberica)	Spain	100%
19	Transterra Invest, S. L. U., Spain	Spain	100%
20	Cerexagri S.A.S.	France	100%
21	United Phosphorus Switzerland Limited	Switzerland	100%
22	Agrodan, ApS	Denmark	100%
23	United Phosphorus Limited, Belgium S P R L	Belgium	100%
24	Decco Italia SRL, Italy	Italy	100%
25	Samma International S.R.L., Italy	Italy	51%
26	JSC United Phosphorus Limited, Russia	Russia	100%
27	United Phosphorus Inc., U.S.A.	USA	100%
28	Cerexagri, Inc. (PA)	USA	100%
29	Cerexagri Delaware, Inc., USA	USA	100%
30	Canegrass LLC, USA	USA	70%
31	Decco US Post-Harvest Inc (US)	USA	100%

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SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

Sr. No.	Name of the Subsidiary		Country of Incorporation	% of Group Holding
32	RiceCo LLC	**	USA	100%
33	United Phosphorus Sole Partner Limited, Greece		Greece	100%
34	Bio-win Corporation Limited, Mauritius		Mauritius	100%
35	Uniphos Limited, Mauritius	**	Mauritius	100%
36	United Phosphorus Limited Mauritius.	**	Mauritius	100%
37	United Phosphorus Limited, Gibraltar		Gibraltar	100%
38	United Phosphorus de Mexico, S.A. de C.V.		Mexico	100%
39	Global Chem Trade Corp., Panama		Panama	100%
40	United Phosphorus do Brasil Ltda		Brazil	100%
41	United Phosphorus Limited, Colombia		Colombia	100%
42	Eddyville Consultants Group, Inc. Panama		Panama	100%
43	Cerexagri Costa Rica, S.A.		Costa Rica	100%
44	Jiangsu Kaznam Chemical Group.,Panama		Panama	100%
45	Icona Sanluis S A - Argentina		Argentina	100%
46	Reposo S.A.I.C., Argentina	#	Argentina	100%
47	Icona S A - Argentina		Argentina	100%
48	Evo farms Colombia SA		Colombia	100%
49	Evo farms S.A. - Colombia		Colombia	100%
50	United Phosphorus Cayman Limited	**	Cayman Islands	100%
51	United Phosphorus Limited, Australia		Australia	100%
52	United Phosphorus Limited, New Zealand		New Zealand	100%
53	United Phosphorus (Shanghai) Company Limited		China	100%
54	United Phosphorus (Korea) Limited		Korea	100%
55	United Phosphorus (Taiwan) Limited		Taiwan	100%
56	PT. United Phosphorus Indonesia		Indonesia	100%
57	PT Catur Agrodaya Mandiri, Indonesia		Indonesia	100%
58	United Phosphorus Limited, Hongkong		Hong Kong	100%
59	United Phosphorus Vietnam Co., Limited		Vietnam	100%
60	United Phosphorus Limited, Japan		Japan	100%
61	Anning Decco Fine Chemical Co. Limited, China		China	55%
62	Cropserve Zambia Limited		Zambia	70%
63	Prime Agri Centre Zambia Limited		Zambia	70%
64	United Phosphorus Limited, Zambia		Zambia	100%
65	Agri pack Zambia Limited		Zambia	70%
66	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey		Turkey	100%
67	Safepack Products Limited		Israel	100%
68	Friedshelf 1114 (Pty) Ltd		South Africa	100%
69	Citrashine (Pty) Ltd, South Africa		South Africa	100%
70	Samrod Chemicals (Pty) Ltd		South Africa	100%

** Incorporated / Acquired during the year

On 1st June 2010, Reposo S.A.I.C was merged with ICONA S.A

|| Associates (Advanta Group)

Sr. No.	Associate Companies		Country of Incorporation	% of Group Holding
1	Advanta India Limited		India	49.85%
2	Advanta Finance B.V.		Netherlands	*
3	Advanta International B.V.		Netherlands	*
4	Advanta Netherlands Holdings B.V.		Netherlands	*
5	Advanta Semillas SAIC, Argentina		Argentina	*
6	Advanta Holdings B.V.		Netherlands	*
7	Advanta Seed International, Mauritius		Mauritius	*
8	Pacific Seeds Holdings (Thai) Limited		Thailand	*
9	Pacific Seeds (Thai) Limited		Thailand	*
10	Pacific Seeds Pty Limited, Australia		Australia	*
11	Advanta US Inc.		USA	*
12	Advanta Comercio De Sementes LTDA.		Brazil	*
13	Unicorn Seeds Private Limited, India		India	*
14	Advanta Seeds Limited, India		India	*
15	Longreach Plant Breeders Management Pty Limited, Australia		Australia	**
16	PT Advanta Seeds Indonesia		Indonesia	*

*These are 100% Subsidiaries of Advanta India Limited

**This is 70% step-down Subsidiary of Advanta India Limited



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT
SCHEDULE 'S' (Cont'd.):

- (d) The financial statements have been prepared to comply in all material respects with the mandatory notified accounting standards by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, except as specified in note 1(i) below. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

The consolidated financial statements of the Group have been prepared on a line-by-line basis by adding together the book values of subsidiary company's like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits / losses on intra-group transactions.

- (e) The financial statements of each of the subsidiaries, associates and joint venture other than Advanta Group, drawn upto the same reporting date i.e year ended March 31, 2011 have been used for the purpose of consolidation. The consolidated financial statements of Advanta Group drawn upto December 31, 2010 have been used for the purpose of consolidation.
- (f) Changes have been made in the accounting policies followed by each of the subsidiaries to the extent they were material and identifiable from their respective audited accounts to make them uniform with the accounting policies followed by the Holding Company. Where it has not been practicable to use uniform accounting policies in preparing the consolidated financial statements, the different accounting policies followed by each of the group companies have been followed. (Refer Note No. 2 below)
- (g) Translation of the financial statements of foreign subsidiaries for incorporation in the consolidated financial statements have been done by using the following exchange rates:
- (1) Assets and liabilities have been translated by using the rates prevailing as on the date of the balance sheet.
 - (2) Income and expense items have been translated by using the average rate of exchange.
 - (3) Exchange difference arising on translation of financial statements as specified above is recognised in the Foreign Currency Translation Reserve.
- (h) Goodwill arising on consolidation is tested for impairment as at the Balance Sheet date.
- (i) For the purpose of consolidation, the Group has not followed Accounting Standard (AS) 27 'Financial Reporting of Interest in Joint Ventures' in respect of United Phosphorus Limited, Bangladesh, Hodogaya UPL Co. Limited, Japan and Nisso TM LLC and Accounting Standard (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' in respect of Kerala Enviro Infrastructure Limited, Agrinet Solutions Limited, Chemisynth (Vapi) Limited and UPL Investment Private Limited.

2. Significant Accounting Policies:

The significant accounting policies followed by the Group in the consolidated financial statements are stated hereunder. In case a uniform policy is not followed by each company in the group, the same, as disclosed in the audited accounts of the said company, has been reproduced, if material.

- (a) Fixed Assets and Depreciation:

Fixed Assets:

Fixed Assets are stated at cost less depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation:

- (i) Leasehold land :

United Phosphorus Limited (India) :

No amount has been written off against leasehold land since as per the lease agreements, the leases are renewable at the option of the Company for a further period of 99 years at the end of the lease period of 99 years, without / marginal payment of further premium.

United Phosphorus Vietnam Limited :

Lease Rentals and other costs incurred in conjunction with securing the use of lease land are recognised on a straight line basis over 37 years in accordance with the term of the lease.

- (ii) Leasehold Improvement :

In respect of Leasehold Improvement Assets on a straight line basis over the period of the lease which is generally five years.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

(ii) Other Assets :

Sr.No	Name of the Company and Description of Assets	Method	Useful Life of Assets/ Depreciation rates	Proportion to Gross Block
1.	United Phosphorus Limited, India			
	Gas Turbine Engine in Power Plant	S.L.M.	16.67%	0.86%
	Membrane used in Caustic Chlorine Plant	S.L.M.	20.00%	0.35%
	Hot Section in Power Plant	S.L.M.	33.33%	0.65%
	Other Assets	*	*	63.36%
2.	Cerexagri B.V., Netherlands			} 12.65%
	Buildings	S.L.M.	18-30 Years	
	Machinery and Equipment	S.L.M.	10-15 Years	
	Other Tangible fixed assets	S.L.M.	3-10 Years	
3.	Cerexagri S.A.S., France			} 9.87%
	Buildings	S.L.M.	20 Years	
	Plant and Machinery	S.L.M.	10 Years	
	Motor Vehicles	S.L.M.	5 Years	
	Office Materials	S.L.M.	3-5 Years	
	Capitalised Leased Assets	S.L.M.	20 Years	
4.	United Phosphorus Limited, U.K.			} 3.39%
	Freehold Buildings	S.L.M.	50 Years	
	Plant and Machinery	S.L.M.	4-15 Years	
	Fixtures and fittings	S.L.M.	5-20 Years	
	Motor Vehicles	S.L.M.	4 Years	
	Leasehold Land and Buildings	S.L.M.	50 years or Term of Lease if shorter	
5.	Desarrollo Quimico Industrial S.A.			} 2.21%
	Buildings	S.L.M.	50 Years	
	Machinery and Technical Installations	S.L.M.	10 Years	
	Other Installations, tools and furniture	S.L.M.	10 Years	
	Hardware	S.L.M.	4 Years	
	Vehicles	S.L.M.	6 Years	
	Other Fixed Assets	S.L.M.	4-7 Years	

* At the various S.L.M. / W.D.V. rates as applicable to the respective assets as specified in Schedule XIV of the Indian Companies Act, 1956.

(b) Intangible Assets and Amortisation:

Intangible Assets:

Intangible assets are stated at cost less accumulated amortisation.

Amortisation of Intangible Assets

- (i) Expenditure incurred on product acquisitions are amortised on straight line basis over a period of fifteen years from the month of addition to match their expected future economic benefits.
- (ii) Other intangible assets are amortised on straight line basis over a period of three to five years.

(c) Inventories:

- (i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value. Cost is determined on moving average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.
- (ii) Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard costing basis. Cost of finished goods includes excise duty, as applicable.
Approximately 95% of the total finished goods and semi-finished goods inventory as at March 31, 2011, has been valued on standard cost basis.

(iii) Traded goods are valued at lower of cost or net realisable value.

(d) Investments:

Long-Term Investments are carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the Consolidated Profit and Loss Account. Current investments are stated at lower of cost and fair value determined on individual investment basis.



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

(e) Sale of Trade Receivable

The Group sells insured trade receivables to banks whereby significant risks and rewards are transferred and this transfer is treated as "true sale" for both legal and financial reporting purposes and accordingly, these receivables are not reflected on the balance sheet of the Group.

(f) Export Benefits:

United Phosphorus Limited (India):

Duty free imports of raw materials under Advance Licence for imports as per the Import and Export Policy are matched with the exports made against the said licences and the net benefit / obligation has been accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the Duty Entitlement Pass Book Scheme as per the Import and Export Policy in respect of exports made under the said scheme have been included under the head 'Export Incentives', in "Other Income from Operations".

(g) Foreign currency transactions:

(i) Transactions in foreign currency are recorded by applying the exchange rate at the date of the transaction. Monetary items denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates, prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising as a result of the above are recognised as income or expense in the profit and loss account except for exchange differences arising on a monetary item which, in substance, form part of the Company's net investment in a non-integral foreign operation which is accumulated in a Foreign Currency Translation Reserve until the disposal of the net investment. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(ii) In the case of forward contracts not intended for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortised as an expense or income with reference to the spot rate as at the end of the period over the life of the contract. Exchange difference on such contracts are recognised in the statements of profit and loss in the year in which the exchange rate change. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expenses for the year.

(h) Derivative Instruments

As per the ICAI announcement, accounting for derivative contracts, other than those covered under AS 11, are marked to market on a portfolio basis, and the net loss is charged to the income statement. Net gains are ignored.

(i) Retirement Benefits:

1. United Phosphorus Limited (India),

(i) Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit and loss account in the year when the contributions to the funds are due.

(ii) Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

(iii) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

(iv) The Company has other long term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of actuarial valuation made at the end of the financial year. The aforesaid leave encashment is funded with an insurance company in the form of a qualifying insurance policy.

(v) Actuarial gains/ losses are recognised immediately to the profit and loss account.

2. RiceCo, LLC USA

(i) The Company has a defined benefit pension plan which covers all full-time employees of the Company. Funding of the plan is made through payment to various funds managed by a third party and is in accordance with the funding requirements of the Employee Retirement Income Security Act of 1974 ("ERISA").

3. All other subsidiaries :

The companies contribute to a defined contribution retirement benefit plan, and contribution to the retirement benefit plan are charged to the Profit and Loss Account as incurred.

(j) Revenue Recognition

(i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

(ii) Revenue from sale of Certified Emission Reduction (CER) is recognised as income on delivery thereof in terms of the contract with the respective buyers.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

- (iii) Income from services are recognised as and when the services are rendered
- (iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Dividend is recognised when the shareholder's right to receive payment is established by the balance sheet date.
- (k) Research and Development Costs:
 Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortised over the period of expected future benefit.
- (l) Borrowing costs:
 Interest and other costs incurred for acquisition of qualifying assets, upto the date of commissioning / installation, are capitalised as part of the cost of the said assets.
- (m) Assets taken on Lease:
 - (i) Operating Leases:
 Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Rentals and all other expenses in respect of assets taken on lease are debited to Profit and Loss Account on straight line basis over the lease term.
 - (ii) Finance Leases:
 Assets acquired under finance leases which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised and a corresponding loan liability is recognised. The lease rentals paid are bifurcated into principal and interest component by applying an implicit rate of return. The interest is charged as a period cost and the principal amount is adjusted against the liability recognised in respect of assets taken on financial lease.
- (n) Earnings Per Share
 Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue.
 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- (o) Income-tax:
 Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
 Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
 The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
 MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.
- (p) Cash and cash equivalents
 Cash and cash equivalents for the purpose of cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (q) Provisions
 A provision is recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an obligation of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet and adjusted to reflect the current best estimates.



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

3. Contingent liabilities not provided for:

	As at March 31, 2011 Rs. in lacs	As at March 31, 2010 Rs. in lacs
a) Disputed Excise Duty / Service Tax Liability (excluding interest)	7,123	5,470
b) Disputed Income-tax Liability (excluding interest)	69	90
c) Disputed Sales-tax Liability	1,206	849
d) Disputed Customs Liability	2,331	2,331
e) Disputed Fiscal Penalty for Cancellation of Licenses	3,348	3,348
f) Disputed Penalty on water tax	161	161
g) Bills discounted under Letter of Credit remaining unpaid as at the date of the Balance Sheet	361	858
i) Guarantees given by Group's Bankers on behalf of the Group to third parties	11,253	1,736
j) Guarantees given by the Group to third parties	360	279
k) Claims against the Group not acknowledged as debts	936	865
In respect of share of Associate Companies		
a) Disputed Income -tax Liability (Excluding interest)	1,078	1,039
b) Claims against the Associates not acknowledged as debts. (Includes the claim of Rs.3,940 lacs (Previous Year : Rs. 3,944 lacs) made by party, which the associate company has disputed and has filed a counter claim against the said party for an amount of Rs.1,365 lacs (Previous Year : Rs. 1,367 lacs))	5,353	5,771
4. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,917	1,953

5. Joint Ventures and Associate Companies:

While preparing the Consolidated Financial Statements, the group has not done proportionate consolidation in respect of its investment in certain joint ventures and has also not recognised the effects of investment in certain associates on the financial position and operating results of the group.

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SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

The investments in the aforesaid companies included in the Consolidated Financial Statements are as under:

	Group holding (%)	As at March 31, 2011 Rs. in lacs	As at March 31, 2010 Rs. in lacs
a) Joint Venture Companies			
United Phosphorus (Bangladesh) Limited	50.00	4	4
Nisso TM LLC	49.00	4	4
Hodogaya UPL Co. Ltd., Japan	40.00	1149	234
b) Associate Companies:			
(i) Agrinet Solutions Limited. (Net of Provision for Diminution)	49.98	173	173
(ii) Chemisynth (Vapi) Limited (Net of Provision for Diminution)	30.00	293	267
(iii) Kerala Enviro Infrastructure Limited (Net of Provision of Diminution)	38.00	216	240
(iv) UPL Investment Private Limited	66.67 *	51	—

* Vating Power less than 50%

6. Segment Information:

Segment information has not been given as the management is of the view that the said information would be prejudicial to the interest of the Group.

7. Related Party Disclosures:

Companies in the Group have entered into transactions with the following related parties as identified by the management and relied upon by the Auditors.

<p>a) List of related parties:</p> <p>i) Joint Venture Companies: United Phosphorus (Bangladesh) Limited Nisso TM LLC Hodogaya UPL Co. Limited, Japan</p> <p>ii) Associate Companies: Advanta India Limited Advanta Finance B.V. Advanta International B.V. Advanta Netherlands Holdings B.V. Advanta Semillas SAIC, Argentina Advanta Holdings B.V. Advanta Seed International, Mauritius Pacific Seeds Holdings (Thai) Limited Pacific Seeds (Thai) Limited Pacific Seeds Pty Limited, Australia Advanta US Inc. Advanta Comercio De Sementes LTDA. Unicorn Seeds Private Limited, India Advanta Seeds Limited, India Longreach Plant Breeders Management Pty Limited, Australia PT Advanta Seeds Indonesia Agrinet Solutions Limited Chemisynth (Vapi) Limited Kerala Enviro Infrastructure Limited UPL Investment Private Limited</p> <p>iii) Enterprises over which key management personnel and their relatives have significant influence: Bharuch Enviro Infrastructure Limited Bloom Packaging Private Limited Bloom Seal Containers Private Limited</p>	<p>Coimbatore Integrated Waste Management Company Private Limited Daman Ganga Pulp and Papers Private Limited Demuric Holdings Private Limited Entrust Environment Limited Enviro Technology Limited Gabo Products Private Limited Gharpure Engineering and Construction Private Limited Jai Research Foundation Jai Trust JRF Biogenomics Limited JRF America Inc. JRF International Ltd Nerka Chemicals Private Limited Pot Plants Sanguine Holdings Private Limited Tatva Global Environment Limited Ultima Search Uniphos Agro Industries Limited Uniphos Enterprises Limited Uniphos Envirotronic Private Limited UPL Environmental Engineers Limited Vikram Farm</p> <p>iv) Key Management Personnel and their relatives : Whole Time Directors and their relatives Mr. Rajnikant D. Shroff Mrs. Sandra R. Shroff Mr. Kalyan Banerjee Mr. Jaidev R. Shroff Mr. Arun C. Ashar Mr. Vikram R. Shroff Mrs. Shilpa Sagar Mrs. Asha Ashar Mr. Navin Ashar</p>
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SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

(b) The following transactions were carried out with the related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies.

Rs. in lacs

Nature of Transactions	Year ended March 31, 2011				Year ended March 31, 2010			
	Joint Venture Companies	Associate Companies	Other related Parties	TOTAL	Joint Venture Companies	Associate Companies	Other related Parties	TOTAL
1. INCOME								
a) SALE OF GOODS								
(Net of rebates and discounts)	1,637	194	360	2,191	1,987	362	1,331	3,680
P.T.Advanta Seeds Indonesia	-	186	-	186	-	335	-	335
Hodogaya UPL Co. Ltd., Japan	1,499	-	-	1,499	1,758	-	-	1,758
Others	138	8	360	506	229	27	1,331	1,587
b) SERVICES TO UNIPHOS AGRO INDUSTRIES LTD.	-	-	-	-	-	-	2	2
c) MANAGEMENT FEES	-	-	340	340	-	-	26	26
Tatva Global Environment Ltd.	-	-	340	340	-	-	-	-
Enviro Technology Ltd.	-	-	-	-	-	-	24	24
Others	-	-	-	-	-	-	2	2
d) DIVIDEND RECEIVED	76	84	-	160	-	84	-	84
Advanta India Limited	-	84	-	84	-	84	-	84
Nisso TM LLC	76	-	-	76	-	-	-	-
e) SALE OF ASSETS	-	-	544	544	-	-	-	-
JRF America Inc.	-	-	544	544	-	-	-	-
f) SALE OF FIXED ASSETS	-	-	-	-	-	105	2	107
Chemi Synth (Vapi) Ltd.	-	-	-	-	-	105	-	105
Others	-	-	-	-	-	-	2	2
g) REBATE AND DISCOUNT GIVEN	-	95	-	95	-	120	-	120
Advanta India Limited	-	87	-	87	-	120	-	120
Others	-	8	-	8	-	-	-	-
h) CASH DISCOUNT RECEIVED	-	412	-	412	-	588	-	588
Advanta India Limited	-	391	-	391	-	569	-	569
Others	-	21	-	21	-	19	-	19
2. EXPENSES								
a) PURCHASES OF GOODS	5,063	10,185	2,079	17,326	3,338	10,966	1,635	15,939
Advanta India Limited	-	9,261	-	9,261	-	9,264	-	9,264
Hodogaya UPL Co. Ltd., Japan	2,580	-	-	2,580	1,822	-	-	1,822
Nisso TMLLC	2,483	-	-	2,483	1,516	-	-	1,516
Others	-	924	2,079	3,002	-	1,702	1,635	3,337
b) FIXED ASSETS	-	-	46	46	-	-	68	68
Entrust Environment Limited	-	-	30	30	-	-	-	-
UPL Environmental Engineers Limited	-	-	16	16	-	-	68	68
c) SERVICES	-	248	2,007	2,255	-	940	1,560	2,500
Advanta India Limited	-	-	-	-	-	652	-	652
Chemi Synth (Vapi) Ltd.	-	248	-	248	-	287	-	287
Bharuch Enviro Infrastructure Limited	-	-	1,825	1,825	-	-	1,124	1,124
Others	-	-	182	182	-	1	436	437
d) RENT	-	-	34	34	-	-	23	23
Bloom Packaging Pvt Ltd.	-	-	6	6	-	-	6	6
Daman Ganga Pulp and Papers Pvt Ltd.	-	-	3	3	-	-	3	3
Sanguine Holdings Pvt Ltd.	-	-	12	12	-	-	9	9
Demuric Holding Private Limited	-	-	5	5	-	-	2	2
Ultima Search	-	-	5	5	-	-	1	1
Others	-	-	3	3	-	-	2	2
e) COMMISSION AND DISCOUNT GIVEN	-	53	-	53	-	-	0	0
Advanta Seed Int. Mauritius	-	53	-	53	-	-	-	-
Others	-	-	-	-	-	-	0	0
f) INTANGIBLE ASSETS	-	-	339	339	-	-	169	169
Jai Research Foundation	-	-	339	339	-	-	169	169
3 FINANCE								
a) INTEREST PAID	-	-	216	216	-	-	-	-
Demuric Holdings Pvt Ltd	-	-	203	203	-	-	-	-
Others	-	-	13	13	-	-	-	-
b) INTEREST RECEIVED	2	3,684	222	3,908	4	1,545	1,080	2,629
Advanta India Limited	-	3,684	-	3,684	-	1,018	-	1,018
Advanta Holdings Netherlands B.V	-	-	-	-	-	180	-	180
Advanta Semillas S.A.I.C.	-	-	-	-	-	11	-	11
Pacific Seeds Pty Ltd, Australia	-	-	-	-	-	80	-	80
Uniphos Enterprises Limited	-	-	40	40	-	-	987	987
Tatva Global Environment Ltd.	-	-	153	153	-	-	-	-
Others	2	-	29	31	4	256	93	353
c) LOAN /INTER CORPORATE DEPOSITS GIVEN	-	11,275	19,334	30,609	232	15,078	8,782	24,092
Advanta India Limited	-	11,275	-	11,275	-	15,078	-	15,078
Uniphos Enterprises Limited	-	-	14,066	14,066	-	-	6,623	6,623
Tatva Global Environment Ltd.	-	-	4,818	4,818	-	-	-	-
Others	-	-	450	450	232	-	2,159	2,391

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SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

Rs. in lacs

Nature of Transactions	Year ended March 31, 2011				Year ended March 31, 2010			
	Joint Venture Companies	Associate Companies	Other related Parties	TOTAL	Joint Venture Companies	Associate Companies	Other related Parties	TOTAL
d) LOANS / INTER COMPANY DEPOSITS TAKEN DURING THE YEAR	-	-	8,918	8,918	-	-	-	-
Demuric Holdings Pvt Ltd	-	-	7,145	7,145	-	-	-	-
UPL Environmental Engineers Limited	-	-	1,773	1,773	-	-	-	-
e) SALE/REDEMPTION OF SHARES/ NCD/ COMMERCIAL PAPER	-	-	19,866	19,866	-	27,000	-	27,000
Advanta India Limited	-	-	-	-	-	27,000	-	27,000
Demuric Holdings Pvt Ltd	-	-	19,866	19,866	-	-	-	-
f) PURCHASE OF SHARES/NCD/ COMMERCIAL PAPERS	-	-	-	-	-	28,000	2,355	30,355
Advanta India Limited	-	-	-	-	-	28,000	-	28,000
Tatva Global Environment Ltd.	-	-	-	-	-	-	1,855	1,855
Others	-	-	-	-	-	-	500	500
4 REIMBURSEMENTS								
a) RECEIVED	-	7	38	45	-	1	32	33
Advanta India Limited	-	7	-	7	-	1	-	1
Uniphos Envirotronic Private Limited	-	-	15	15	-	-	-	-
UPL Environmental Engineers Limited	-	-	5	5	-	-	20	20
Jai Research Foundation	-	-	4	4	-	-	1	1
Nerka Chemicals Pvt Ltd.	-	-	13	13	-	-	10	10
Others	-	-	1	1	-	-	1	1
b) MADE	-	8	26	34	-	17	3	20
Advanta India Limited	-	5	-	5	-	16	-	16
Jai Research Foundation	-	-	-	-	-	-	2	2
Uniphos Envirotronic Private Limited	-	-	4	4	-	-	-	-
Unicorn Seeds	-	3	-	3	-	-	-	-
Bloom Packaging Private Limited	-	-	6	6	-	-	-	-
Bloom Seal Containers Private Limited	-	-	15	15	-	-	-	-
Others	-	-	1	1	-	1	1	2
5 TRANSFER OF SECURITY DEPOSIT	-	23	-	23	-	123	-	123
from a) Advanta India Limited	-	23	-	23	-	110	-	110
b) Unicorn Seeds Private Limited	-	0	-	0	-	13	-	13
6 TRANSFER OF CUSTOMER BALANCES	-	-	-	-	-	721	-	721
from a) Advanta India Limited	-	-	-	-	-	695	-	695
b) Unicorn Seeds Private Limited	-	-	-	-	-	26	-	26
7 OUTSTANDINGS AS AT BALANCE SHEET DATE								
a) PAYABLES (INCLUDING TRADE ADVANCES)	1,774	11	460	2,245	1,755	304	439	2,498
Advanta India Limited	-	-	-	-	-	359	-	359
Chemi Synth (Vapi) Limited	-	-	-	-	-	-	-	-
UPL Environmental Engineers Limited	-	-	57	57	-	-	288	288
Hodogaya UPL Co. Ltd., Japan	1,774	-	-	1,774	1,755	-	-	1,755
Others	-	11	403	414	-	(55)	151	96
b) RECEIVABLES (INCLUDING TRADE ADVANCES)	475	641	643	1,759	549	1,165	597	2,311
Advanta India Limited	-	361	-	361	-	762	-	762
UPL Environmental Engineers Limited	-	-	-	-	-	-	526	526
Chemi Synth (Vapi) Limited	-	263	-	263	-	-	-	-
Advanta Semillas S.A.I.C.	-	1	-	1	-	258	-	258
Hodogaya UPL Co. Ltd., Japan	446	-	-	446	532	-	-	532
JRF America Inc.	-	-	542	542	-	-	-	-
Others	29	16	101	145	17	145	71	233
c) LOANS PAYABLE	-	-	651	651	-	-	-	-
Demuric Holdings Pvt Ltd	-	-	651	651	-	-	-	-
Others	-	-	-	-	-	-	-	-
d) LOANS GIVEN	-	-	-	-	-	-	706	706
Tatva Global Environment Ltd.	-	-	-	-	-	-	497	497
UPL Environmental Engineers Limited	-	-	-	-	-	-	209	209
e) MANAGEMENT FEES RECEIVABLE	-	-	375	375	-	-	-	-
Tatva Global Environment Ltd.	-	-	375	375	-	-	-	-
f) SHARE / BOND APPLICATION MONEY PAID	-	-	-	-	-	-	501	501
UPL Investment Private Limited	-	-	-	-	-	-	501	501
g) INTEREST PAYABLE	-	-	203	203	-	-	-	-
Demuric Holdings Pvt Ltd.	-	-	203	203	-	-	-	-
h) INTEREST RECEIVABLES	-	40	24	64	-	165	239	405
Advanta India Limited	-	40	-	40	-	156	-	156
Uniphos Enterprises Limited	-	-	-	-	-	-	45	45
Tatva Global Environment Ltd.	-	-	19	19	-	-	168	168
Others	-	-	5	5	-	9	26	35



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

	Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
c) Transactions with Directors of the Holding Company and their Relatives		
Remuneration	1,815	1,999
Rent Paid	141	186
Professional Fees	221	265
Outstandings as at the Balance Sheet Date		
Remuneration Payable	331	318
Sundry Deposits given	58	58
Rent Payable	—	1
Professional fees payable/(receivable)	(5)	3

8. Foreign exchange derivatives and exposures outstanding as at the Balance Sheet date:

Nature of Instrument	Currency	Year Ended March 31, 2011	Year Ended March 31, 2010	Purpose - Hedging/ Speculation
		Amount outstanding (in 000)	Amount outstanding (in 000)	
(a) Forward contract - Buy	EUR	—	5,000	Hedging
Forward contract - Sell	USD	41,000	107,555	Hedging
(b) Derivative contracts				
(i) (a) Option Receivable	JPY	15,194,400	18,109,000	Hedging
(b) Option Payable	USD	183,540	194,595	Hedging
(ii) Currency Swap Contracts - Payable	USD	—	20,000	Hedging
	EUR	—	12,518	Hedging
(iii) Full Currency Interest Rate Swap contracts - payable	USD	189,994	—	Hedging
(c) Un-hedged Foreign Currency Exposure on:				
1 Payable	USD	368,485	175,218	
	EUR	15,062	—	
	GBP	164	19	
	JPY	15,278,565	18,208,308	
	CHF	24	30	
	DKK	702	510	
	CLP	2,911	—	
	AED	11	—	
	NZD	1	—	
	PLN	—	2	
	CAD	—	1	
2 Receivable	USD	61,396	16,552	
	EUR	22,503	21,601	
	GBP	250	251	
	AED	382	—	
	CHF	201	200	
	DKK	5,073	—	

	As at March 31, 2011 Rs. in lacs	As at March 31, 2010 Rs. in lacs
9. Lease Commitments:		
a) Finance Leases		
Future Minimum Lease Payments in respect of assets acquired under finance leases are as under:		
(i) Payable not later than 1 year	244	239
(ii) Payable later than 1 year and not later than 5 years	252	368
Total Minimum Lease Payments	496	607
Less: Future Finance Charges	28	8
Present Value of Minimum Lease Payments	468	599
b) Operating Leases		
The minimum annual rentals under the operating leases are as under:		
i) within one year	164	161
ii) between two and five years	234	114
iii) above five years	44	—

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SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

	Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
10. Remuneration to Auditors of the Holding Company:		
a) Audit Fees	116	103
b) For Taxation matters	—	5
c) For other matters	26	32
d) For Certification work	2	2
e) Reimbursement of out-of-pocket expenses	2	1
11. Remuneration to Managing / Wholetime Director of the Holding Company:		
a) Salaries	582	498
b) Contribution to Provident Fund	70	60
c) Superannuation Scheme	87	75
d) Gratuity	28	24
e) Perquisites	90	74
f) Commission	330	350
Total	<u>1,187</u>	<u>1,081</u>
12. Consolidated Earning per share:		
(a) Basic Earning Per Share:		
Profit after Taxation as per the Consolidated Profit and Loss Account	59,136	51,334
Add : Share of Profit in Associate Company	<u>(2,338)</u>	<u>1,875</u>
	56,798	53,209
Less: Minority Interest	1,036	593
Net Profit attributable to equity shareholders after exceptional items	<u>A 55,762</u>	<u>52,616</u>
Add: Exceptional Items	<u>1,400</u>	<u>2,670</u>
Net Profit attributable to equity shareholders before exceptional item	<u>B 57,162</u>	<u>55,286</u>
	Nos.	Nos.
Weighted Number of Equity Shares Outstanding	<u>C 447,773,464</u>	<u>439,563,568</u>
	Rupees	Rupees
Basic Earning Per Share including exceptional items	<u>(A/C) 12.45</u>	<u>11.97</u>
Basic Earning Per Share excluding exceptional items	<u>(B/C) 12.77</u>	<u>12.58</u>
Nominal Value of equity share	2.00	2.00
(b) Diluted Earning Per Share:		
Profit after Taxation as per the Consolidated Profit and Loss Account	59,136	51,334
Add : Share of Profit in Associate Company	<u>(2,338)</u>	<u>1,875</u>
	56,798	53,209
Less: Minority Interest	1,036	593
	<u>55,762</u>	<u>52,616</u>
Add: Increase in net profit attributable to equity shareholders (net of tax)	—	100
Net Profit attributable to equity shareholders after exceptional items	<u>A 55,762</u>	<u>52,716</u>
Add: Exceptional Items	<u>1,400</u>	<u>2,670</u>
Net Profit attributable to equity shareholders before exceptional items	<u>B 57,162</u>	<u>55,386</u>



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

		Year Ended March 31, 2011 Rs. in lacs	Year Ended March 31, 2010 Rs. in lacs
		Nos.	Nos.
Weighted Number of Equity Shares Outstanding		447,773,464	439,563,568
Add: Dilutive Impact of Foreign Currency Convertible Bonds		—	22,920,856
Weighted Number of Equity Shares for Computing Diluted Earning per Share	C	447,773,464	462,484,424
		Rupees	Rupees
Diluted Earning Per Share including exceptional items	(A/C)	12.45	11.40
Diluted Earning Per Share excluding exceptional items	(B/C)	12.77	11.98
Nominal Value of equity share		2.00	2.00

13. Foreign Currency Convertible Bonds

200 Series B Foreign Currency Convertible Bonds of USD 10,000 each have been redeemed on maturity date of 7th January, 2011 at 130.87 percent of its principal amount. The premium paid on redemption amounting to Rs. 187 lacs (Net of tax) has been adjusted against Securities Premium Account.

14 Break up of Deferred Tax Assets and Deferred Tax Liabilities :

Rs. in lacs

	As at 31st March, 2011	As at 31st March, 2010
a) Deferred Tax Assets :		
(i) Unabsorbed Depreciation / business loss	1,634	1,246
(ii) Provision for Doubtful debts and advances	1,445	1,348
(iii) Accrued Expenses	3,800	3,056
(iv) Others	2,869	2,980
	9,748	8,630
b) Deferred Tax Liabilities :		
(i) Depreciation	8,148	9,204
(ii) Others	819	575
	8,967	9,779
Net Deferred Tax Asset /(Liability)	781	(1,149)
The above has been reflected in the Consolidated Balance Sheet as follows:		
Deferred Tax Assets	8,094	6,652
Deferred Tax Liabilities	7,313	7,801
Net Deferred Tax Asset /(Liability)	781	(1,149)

Note : Deferred Tax Asset on account of unabsorbed depreciation / business loss has been recognised, as the Companies have timing differences on account of depreciation, etc., the reversal of which will result in sufficient taxable income.

15. A Scheme of Arrangement between the Holding Company and SWAL Corporation Ltd. and their respective Shareholders' under Sections 391 to 394 read with Section 78 and Sections 100 to 103 of the Companies Act, 1956 with the Appointed Date of 1st April 2007, was sanctioned by the Hon'ble Bombay High Court on 29th February 2008 and High Court of Judicature at Gujarat on 16th April 2008 and became effective from 30th April 2008.

As per the said scheme, reduction of Capital under Sections 100 to 103 of the Companies Act, 1956 was sanctioned and accordingly the debit balance aggregating to Rs. 56,212 lacs in respect of Product Registrations and Product Acquisitions appearing as on 31st March 2007, has been debited to the Securities Premium Account and the General Reserve after adjusting for Deferred Tax arising on account of these assets amounting to Rs. 2,525 lacs on that date.

As per the ICAI announcement, expense adjusted directly to reserve is net of its tax effect. As per the Court order legal advice obtained, the Holding Company has taken a consistent view that the tax benefit available is not to be adjusted in respect of amortization of the product registrations and product acquisitions adjusted to the Reserves. The difference in provision for taxation for the year due to this is Rs. 1,709 lacs (Previous Year: Rs. 2,332 lacs) though overall, there is no impact on the aggregate of Reserves and Surplus of the Group.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

16. Exceptional Items:

During the year, the Group restructured the Latin American operations. This will help the Group to optimise the cost base in the region and remain competitive. Current Year Exceptional Item of Rs. 1400 lacs in consolidated financial statements mainly include cost related to this restructuring.

17. Retirement Benefits:

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

a) The amounts recognised in the statement of Profit and Loss Account are as follows:

(i) Defined Contribution Plan	Provident Fund	
	Year Ended March 31, 2011	Year Ended March 31, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost included under the head payments to and provisions for employees in Schedule 'Q' Manufacturing and Other Expenses	521	437

(ii) Defined Contribution Plan	Superannuation Fund	
	Year Ended March 31, 2011	Year Ended March 31, 2010
	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost included under the head payments to and provisions for employees in Schedule 'Q' Manufacturing and Other Expenses.	349	270

b) Defined Benefit Plan :

United Phosphorus Limited (India) has a defined benefit gratuity plan.
RiceCo, LLC has a defined benefit pension plan.

(i) Defined Benefit Plan	Gratuity		Pension
	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
Current service cost	140	124	18
Interest cost on benefit obligation	85	81	28
Expected return on plan assets	(116)	(68)	(30)
Net actuarial gain/(loss) recognised during the year	184	(258)	10
Amount included under the head payments to and provisions for employees in Schedule 'Q' Manufacturing and Other Expenses.	293	(121)	26
Actual return on plan assets	100	138	85

c) The amounts recognised in the Balance Sheet are as follows:

	Defined Benefit Plan - Gratuity		Pension
	As at 31st March, 2011	As at 31st March, 2010	As at 31st March, 2011
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
Present value of funded obligation	1,435	1,098	1,044
Less: Fair value of plan assets	1,602	1,402	861
Net Liability is included in Schedule 'M' - Liabilities	—	—	(183)
Net Asset is included in Schedule 'L' - Loans and Advances	167	304	—



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

d) Changes in the present value of the defined benefit obligation representing reconciliation

	Gratuity		Pension
	As at 31st March, 2011	As at 31st March, 2010	As at 31st March, 2011
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
Opening defined benefit obligation	1,098	1,081	995
Interest cost	85	81	28
Current service cost	140	124	18
Benefits paid	(56)	—	(15)
Actuarial (gains) / loss on obligation	168	(188)	18
Closing defined benefit obligation	1,435	1,098	1,044

e) Changes in the fair value of plan assets are as follows:

	Gratuity		Pension
	As at 31st March, 2011	As at 31st March, 2010	As at 31st March, 2011
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
Opening fair value of plan assets	1,402	903	791
Expected return	116	68	85
Contributions made by employer during the year	100	361	—
Benefits paid	—	—	(15)
Actuarial Gain/(Loss) on plan assets	(16)	70	—
Closing fair value of plan assets	1,602	1,402	861

	Gratuity	Pension
	(Rs. in Lacs)	(Rs. in Lacs)
f) Expected contribution to defined benefit plan for the year 2011-12	100	57

g) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	%	%
Investments with insurer under:		
(a) Funds Managed by Insurer	100.00	
(b) Group Balanced Fund	-	63.96
(c) Corporate Bond Fund	-	36.04

	Pension
	As at 31st March, 2011
	%
(a) Equity Securities	59.00
(b) Debt Securities	40.00
(c) Other	1.00

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

h) The principal actuarial assumptions at the Balance Sheet date.

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
Discount rate	7.75%	8.00%
Expected rate of return on plan assets	8.00%	7.50%
Mortality table	LIC (1994 - 96) published table of Mortality Rates	LIC (1994 - 96) Ultimate
Proportion of employees opting for early retirement	5% at younger ages and reducing to 1% at old age on graduated scale	5% for age 18 to 49 and 1% thereafter.

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

	Pension
	As at 31st March, 2011
Discount rate Projected Benefit Obligation	5.75%
Rate of Increase in Compensation Levels	4.00%
Expected Long Term rate of Return on Assets	8.00%

i) Experience Adjustment

	Gratuity	
	As at 31st March, 2011	As at 31st March, 2010
	(Rs. in lacs)	(Rs. in lacs)
Experience adjustments on plan liabilities (Gain)/Loss	(138)	(143)
Experience adjustments on plan Assets (Gain)/Loss	16	70



United Phosphorus Limited

18. The Company has availed the exemptions as per notification dated February 8, 2011 issued by the Ministry of Corporate Affairs (MCA) under Section 212 of the Companies Act, 1956.

Rs. in lacs

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment other than Investment in Subsidiary	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	Shroffs United Chemicals Limited	INR	1.00	5	(4)	1	0	-	-	(0)	-	(0)	-
2	SWAL Corporation Limited, India	INR	1.00	802	1,247	18,617	16,586	18	42,648	1,077	(372)	705	-
3	United Phosphorus Limited, U.K.	GBP	71.69	16,312	2,899	97,881	78,670	-	51,638	5,850	(226)	5,624	-
4	United Phosphorus GmbH - Germany	EUR	63.38	16	59	6,401	6,326	-	5,840	46	(5)	40	-
5	United Phosphorus Polska Sp.z.o.o - Poland	PLN	15.81	1	1	114	112	-	166	7	(1)	6	-
6	Cerexagri B.V. Netherlands	EUR	63.38	14,329	1,632	31,879	15,918	-	22,732	(271)	32	(238)	-
7	United Phosphorus Holdings Cooperatief U.A.	EUR	63.38	46,722	(17)	46,772	66	-	-	(9)	-	(9)	-
8	United Phosphorus Holdings B.V., Netherlands	EUR	63.38	11	46,505	113,094	67,726	1,149	1	1,298	(468)	830	-
9	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	EUR	63.38	2,361	(17)	2,369	25	-	-	(7)	-	(7)	-
10	Decco Worldwide Post-Harvest Holdings B.V.	EUR	63.38	11	3,309	10,010	6,689	-	-	573	-	573	-
11	Regentstreet B.V.	EUR	63.38	12	12,675	12,755	69	-	-	(1)	-	(1)	-
12	Desarrollo Quimico Industrial, S.A., Spain	EUR	63.38	39	(479)	2,259	2,699	-	3,154	(372)	186	(185)	-
13	Cerexagri Italia S.R.L.	EUR	63.38	63	376	14,058	13,619	-	14,026	136	(85)	1151	-
14	United Phosphorus Italy S.R.L.	EUR	63.38	196	785	6,252	5,270	-	-	37	(12)	25	-
15	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U., Spain	EUR	63.38	34	3,739	10,531	6,759	-	17,965	925	(371)	555	-
16	Agrindustrial, S.A., Spain	EUR	63.38	-	-	-	-	-	-	-	-	-	-
17	Phosfonia, S.L., Spain	EUR	63.38	-	-	-	-	-	-	-	-	-	-
18	Decco Iberica Postcosecha, S.A.U., Spain (formerly Cerexagri Iberica)	EUR	63.38	114	3,053	5,084	1,916	-	7,182	492	(142)	350	-
19	Transterra Invest, S. L. U., Spain	EUR	63.38	5,459	(462)	21,111	16,113	-	15	(661)	195	(467)	-
20	Cerexagri S.A.S.	EUR	63.38	8,393	5,603	31,650	17,654	-	51,597	729	-	729	-
21	United Phosphorus Switzerland Ltd.	CHF	48.73	49	(32)	29	12	-	-	(14)	(0)	(14)	-
22	Agrodan, ApS	DKK	8.50	212	1,290	1,615	113	-	102	41	(10)	31	-
23	United Phosphorus Limited, Belgium S P R L	EUR	63.38	12	(26)	0	14	-	-	(9)	-	(9)	-
24	Decco Italia SRL, Italy	EUR	63.38	666	1,743	4,196	1,787	-	4,436	683	(256)	427	-
25	Samma International S.R.L., Italy	EUR	63.38	63	337	1,860	1,460	-	1,793	17	(6)	12	-
26	JSC United Phosphorus Limited, Russia	RUB	1.57	1	252	1,799	1,546	-	1,646	146	-	146	-
27	United Phosphorus Inc., U.S.A. & Subsidiaries	USD	44.60	0	17,458	119,316	101,862	4	98,156	4,530	(772)	3,758	-
28	Cerexagri, Inc. (PA)	USD	44.60	-	-	-	-	-	-	-	-	-	-
29	Cerexagri Delaware, Inc., USA	USD	44.60	-	-	-	-	-	-	-	-	-	-
30	Canegrass LLC, USA	USD	44.60	-	-	-	-	-	-	-	-	-	-
31	Decco US Post-Harvest Inc (US)	USD	44.60	0	928	7,582	6,654	-	10,546	905	(357)	548	-
32	Riceco LLC	USD	44.60	-	-	-	-	-	-	-	-	-	-
33	United Phosphorus Sole Partner Limited, Greece	USD	44.60	10	(2,205)	1,302	3,497	-	3,231	108	(106)	2	-
34	Bio-win Corporation Limited, Mauritius	USD	44.60	37,281	6,304	282,333	239,192	444	27,863	88,853	(155)	88,698	-
35	Uniphos Limited, Mauritius	USD	44.60	136	4,991	5,129	2	-	-	4,991	-	4,991	-
36	United Phosphorus Limited Mauritius.	USD	44.60	2	109,415	113,927	4,510	-	21,012	6,385	-	6,385	-
37	United Phosphorus Limited, Gibraltar	USD	44.60	2	15,310	113,987	98,675	-	71,522	15,298	-	15,298	82,813
38	United Phosphorus de Mexico, S.A. de C.V.	MXN	3.74	20	2,087	8,230	6,123	-	12,699	345	(158)	187	-
39	Global Chem Trade Corp., Panama	USD	44.60	4	1,909	1,918	4	-	-	7	-	7	-
40	United Phosphorus do Brasil Ltda	BRL	27.46	192	(181)	58	47	-	243	30	(21)	9	-
41	United Phosphorus Limited, Colombia	COP	23.77	1	(337)	2,020	2,356	-	1,152	(98)	(36)	(134)	-
42	Eddyville Consultants Group, Inc. Panama	USD	44.60	4	116	122	1	-	-	(1)	-	(1)	-
43	Cerexagri Costa Rica, S.A.	CRC	0.09	45	422	4,177	3,711	-	7,550	127	-	127	-
44	Jiangsu Kaznam Chemical Group., Panama	USD	44.60	4	(7)	100	103	-	-	(2)	-	(2)	-
45	Icona Sanluis S A - Argentina	ARS	11.01	327	692	2,695	1,676	-	3,137	44	6	50	-
46	Reposo S.A.I.C., Argentina	ARS	11.01	233	759	8,700	7,707	-	1,002	(264)	92	(172)	-
47	Icona S.A. - Argentina	ARS	11.01	326	2,292	25,192	22,573	-	23,878	(1,850)	626	(1,224)	-
48	Evoforms Colombia SA	COP	23.77	66	1,118	4,650	3,465	-	4,124	11	(164)	(153)	-
49	Evoforms S.A. - Colombia	COP	23.77	5	39	49	5	-	-	19	(7)	12	-
50	United Phosphorus Cayman Limited	USD	44.60	0	(70)	101	170	-	-	(71)	-	(71)	-
51	United Phosphorus Limited, Australia	AUD	46.12	46	1,356	8,719	7,316	-	11,772	585	(190)	395	-
52	United Phosphorus Limited, New Zealand	NZD	34.07	-	26	146	121	-	261	10	(4)	6	-
53	United Phosphorus (Shanghai) Company Limited	RMB	6.81	113	(108)	2,129	2,124	-	2,192	(35)	-	(35)	-
54	United Phosphorus (Korea) Limited	KRW	0.04	29	(111)	114	196	-	439	(11)	-	(11)	-
55	United Phosphorus (Taiwan) Limited	TWD	1.52	15	(24)	32	41	-	26	7	-	7	-
56	PT. United Phosphorus Indonesia	IDR	5.12	50	48	541	443	-	184	87	-	87	-
57	PT Catur Agrodaya Mandiri, Indonesia	IDR	5.12	77	(111)	1,526	1,560	-	835	(11)	-	(11)	-
58	United Phosphorus Limited, Hongkong	USD	44.60	1	3,101	8,430	5,329	-	9,201	1,168	-	1,168	-
59	United Phosphorus Vietnam Co., Limited	VND	2.13	308	206	3,882	3,368	-	4,411	97	(8)	89	-
60	United Phosphorus Limited, Japan (formerly known as Nippon UPL K K)	JPY	0.54	2,936	26	7,934	17,545	12,572	12,380	138	(119)	20	-
61	Anning Decco Fine Chemical Co. Limited, China	RMB	6.81	545	1,216	1,904	143	-	2,277	589	(90)	499	341
62	Cropserv Zambia Limited	ZMK	9.46	9	(414)	1,655	2,059	-	2,382	(294)	(4)	(298)	-
63	Prime Agri Centre Zambia Limited	ZMK	9.46	24	(164)	29	169	-	47	(95)	-	(95)	-
64	United Phosphorus Limited, Zambia	ZMK	9.46	0	(13)	15	27	-	-	(18)	-	(18)	-
65	Agri pack Zambia Limited	ZMK	9.46	2	(156)	3	156	-	1	0	-	0	-
66	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey	TRY	28.88	88	1,572	4,560	2,900	-	4,374	516	(107)	408	-
67	Safepack Products Limited	ILS	12.81	-	2,414	3,053	639	-	3,109	583	(170)	412	462
68	Friedshel 1114 (Pty) Ltd	ZAR	6.57	0	(222)	1,714	1,936	-	-	(100)	(0)	(100)	-
69	Citrashine (Pty) Ltd, South Africa	ZAR	6.57	1	463	1,431	967	-	1,726	82	(8)	74	-
70	Samrod Chemicals (Pty) Ltd	ZAR	6.57	0	213	304	91	-	168	53	(15)	38	-

Notes:- 1. Indian Rupees equivalents of the figures given in foreign currencies in the account of the subsidiary companies, has been given based on exchange rate as on 31/03/2011

2. United Phosphorus Inc., U.S.A. results include the results of Cerexagri Delaware, Inc.; Cerexagri Inc. and Canegrass LLC and Riceco LLC.

3. Compania Espanola Industrial Quimica de Productos Agricolas y Domesticos, S.A. results include the results of Agrindustrial, S.A.; and Phosfonia, S.L.

4. Details of Investments of subsidiary companies: Rs. in lacs

Investments (long term):

In equity shares:

- a) 18,130 Equity shares of Universal Pestochem. 18
- b) 200 shares of Hodogaya UPL Co. Ltd, Japan 1,149
- c) 20,482 shares of Villa Crop protection (PTY) Ltd. 444
- d) 11,700,000 shares of Ishihara Sangyo Kaisha Ltd. 12,556
- e) 33 shares of atural Art KK 16

Total 14,183

Others:

Investment Nisso TM LLC 4

Grand Total 14,187

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S' (Cont'd.):

19. During the year, United Phosphorus Inc, a subsidiary company, has completed the reconciliation of inventory and the net difference of Rs. 966 lacs (previous year Rs. 4,531 Lacs) pertaining mainly to differences in physical verification, recording of excess / short consumption, expired materials, etc. has been identified and charged to Cost of Raw Materials, Packing Materials and Traded Goods under Schedule 'Q' - Manufacturing and Other Expenses.
20. During the year, the Group has acquired RiceCo, LLC on 30th September 2010. This acquisition has the effect of increase in assets, liabilities and results by Rs. 17,341 lacs, Rs. 4,270 lacs and Rs. 781 lacs respectively in the consolidated financial statements.
21. Subsequent to the year-end, the Group has acquired a 50% stake in Sipcam Isagro Brazil (SIB) from Isagro. SIB, based out of Uberaba Minas Gerais in Brazil.
22. In view of the acquisition of RiceCo, LLC during the year as mentioned in Note No. 20 above, the current year figures are not comparable with those of the previous year. Previous year's figures have been regrouped/ rearranged wherever necessary.

SIGNATURE TO SCHEDULES 'A' TO 'S'

As per our attached Report of even date

For and on behalf of Board of Directors of United Phosphorus Limited

For S.V. GHATALIA & ASSOCIATES

Firm Registration Number 103162W
Chartered Accountants

per Sudhir Soni

Partner
Membership No. 41870
Mumbai, 29th April, 2011

R. D. SHROFF

Chairman and Managing Director

A. C. ASHAR

Whole-time Director

Mumbai, 29th April, 2011

S. KRISHNAN

Chief Financial Officer

Chemical Plant and Office - Vapi



UNITED PHOSPHORUS LTD.

The World Population by 2050 will be 8 billion

**We at
United Phosphorus
are trying to help Farmers of the World keep
pace with Food Supply**



**United Phosphorus is
working to ensure that
agricultural growth meets
the demand of growing
World Population**



United Phosphorus Ltd

**Committed to eliminate Hunger and Poverty with the cooperation of
our customers and farmers across the world, UPL is protecting crops in over 100 countries.
contributing to bumper crops and happy smiles on the faces of the farmers.**

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United Phosphorus Limited

Proxy Form

Regd. Office: 3-11, G.I.D.C., Vapi, Dist. Valsad, Gujarat -396 195.

I/We.....of.....
in the district of.....being a Member/Members of the above
 named Company hereby appoint.....of.....
 in the district ofor failing him/her
 ofin the district of
as my/our proxy to attend and vote in my/our behalf at the 27th Annual General
 Meeting of the Company to be held on Tuesday, the 26th day of July, 2011 at 10.00 a.m. and at any
 adjournment thereof.

Signed this.....day of.....2011.

Folio No.DPId*.....Client ID*.....

No. of Shares held.....

Affix Revenue Stamp

(Signature of the Member)

NOTES :

1. The proxy need not be a member.
2. The proxy form duly signed across Revenue Stamp should be lodged at the Company's Registered Office at least 48 hours before the time of the meeting.

United Phosphorus Limited

Attendance Slip

Regd. Office: 3-11, G.I.D.C., Vapi, Dist. Valsad, Gujarat -396 195.

To be handed over at the entrance of the Meeting Hall.

Name of the attending Member	Member's Folio No.	
	DP Id*	
	Client Id*	
Name of the Proxy (in BLOCK LETTERS) (To be filled in, if the proxy attends, instead of the Member)	No. of Equity Shares held	

I/We hereby accord my/our presence at the 27th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, the 26th day of July, 2011 at 10.00 a.m. at Hotel Green View Hall, National Highway No.8, G.I.D.C., Vapi, Gujarat - 396 195.

Member's/proxy's Signature
(To be signed at the time of handing over this slip)

* Applicable for investor holding shares in electronic form