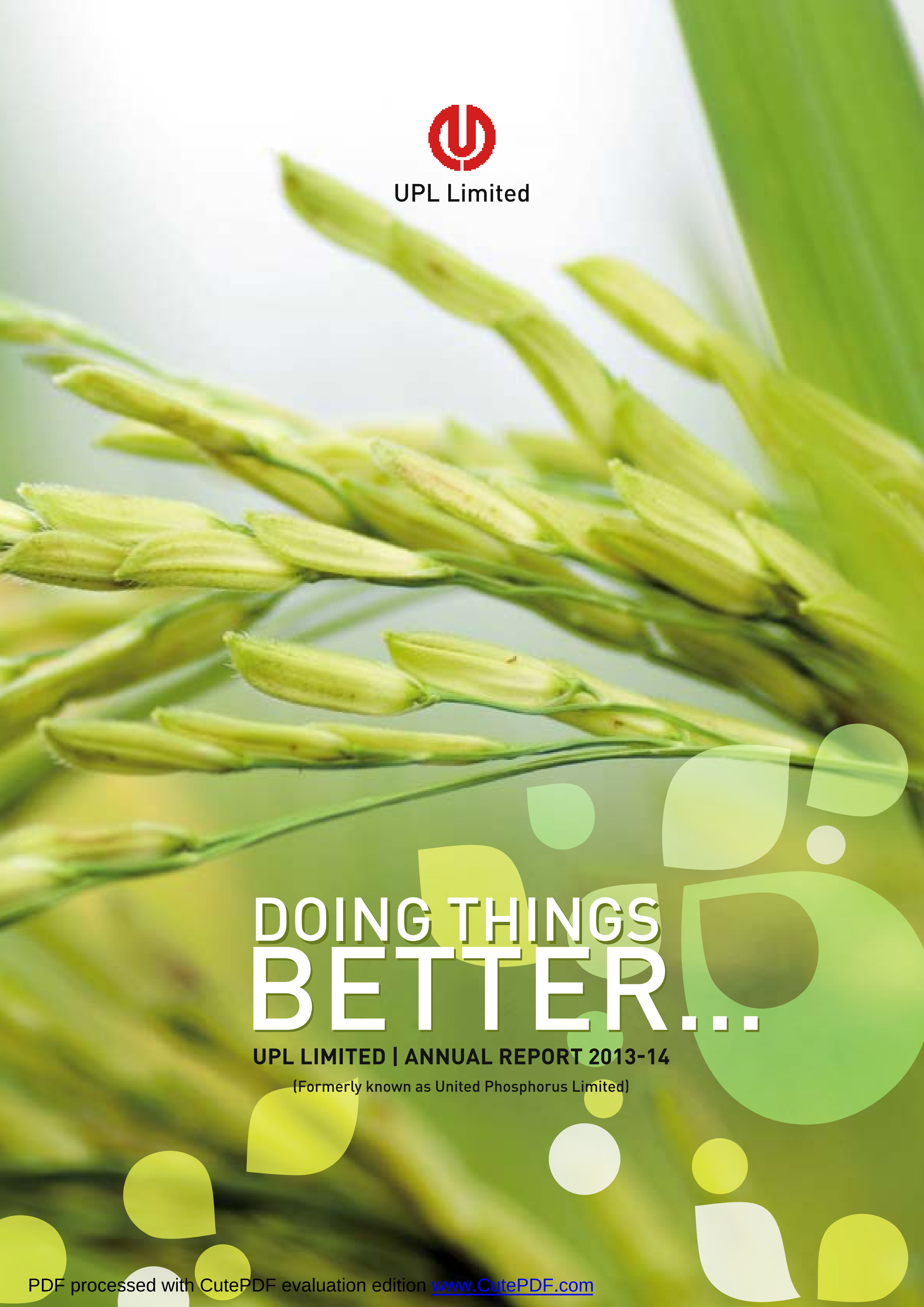


UPL Limited

DOING THINGS BETTER...

UPL LIMITED | ANNUAL REPORT 2013-14

(Formerly known as United Phosphorus Limited)

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

INSIDE THE DOCUMENT

AT UPL LIMITED, WE RECOGNISE THAT WE ARE ENGAGED IN ONE OF THE MOST UNPREDICTABLE BUSINESSES GLOBALLY – ONE WHICH IS DEPENDENT COMPLETELY ON THE WEATHER.

MARKED BY UNEXPECTED DROUGHTS, EXCESSIVE RAINS, PEST ATTACKS, HEAT WAVES, EXTENDED WINTERS AND FREAK HAILSTORMS – ACROSS FARMS, REGIONS AND COUNTRIES.

AT UPL, WE ALSO RECOGNISE THAT AMIDST ALL OF THIS WE NEED TO DELIVER A SUSTAINABLE FINANCIAL PERFORMANCE IN RESPONSE TO THE DEMANDING NEEDS OF OUR SHAREHOLDERS, LENDERS AND OTHER STAKEHOLDERS.

UPL DELIVERED A 17% REVENUE GROWTH AND 26% PAT INCREASE DURING A CHALLENGING 2013-14. BESIDES, THE COMPANY'S 25% CAGR IN REVENUES IN THE TEN YEARS LEADING TO 2013-14 WAS 3.9x THE GLOBAL INDUSTRY'S AVERAGE.

EMPHASISING THE FACT THAT THE COMPANY'S CORE COMPETENCE LIES IN BEING ABLE TO EXTRACT SUSTAINABILITY FROM UNCERTAINTY. BY DOING EVERYTHING IN A BETTER WAY...

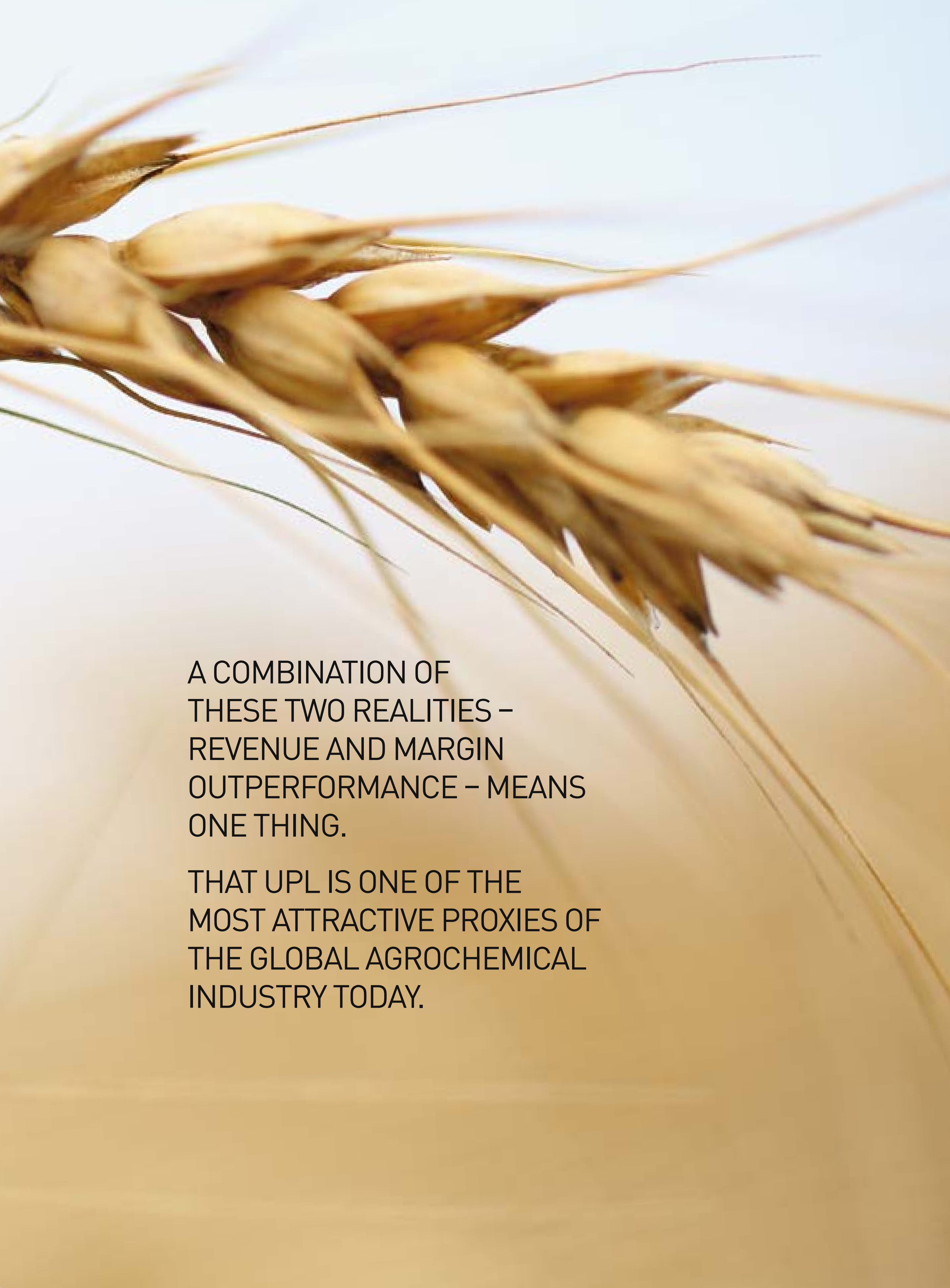
UPL LIMITED IS A GLOBAL COMPANY OF INDIAN ORIGIN WITH DIVERSE COMPETENCIES.

BROAD PRODUCT PORTFOLIO. WIDE GEOGRAPHICAL SPREAD. ROBUST REGISTRATION RECORD. STRATEGIC MANUFACTURING LOCATIONS. LARGE MANUFACTURING CAPACITIES. STRONG KEY MARKET PRESENCE. ATTRACTIVE SWING CAPACITY. RESEARCH-LED INNOVATION CULTURE. STRONG FINANCIAL RETURNS. INTEGRATED CROP MANAGEMENT APPROACH.

RESULT: UPL LIMITED IS ONE OF THE FASTEST GROWING AND MOST PROFITABLE GENERIC AGROCHEMICAL COMPANY IN THE WORLD.

UPL LIMITED.
ONE OF THE FASTEST GROWING AGROCHEMICAL COMPANY IN THE WORLD. GROWING 3.9X ITS INDUSTRY AVERAGE OVER THE LAST 10 YEARS.

UPL LIMITED.
AMONG THE MOST PROFITABLE AGROCHEMICAL COMPANIES IN THE WORLD.



A COMBINATION OF THESE TWO REALITIES – REVENUE AND MARGIN OUTPERFORMANCE – MEANS ONE THING.

THAT UPL IS ONE OF THE MOST ATTRACTIVE PROXIES OF THE GLOBAL AGROCHEMICAL INDUSTRY TODAY.

UPL LIMITED.
INDIAN MULTI-NATIONAL.
MANUFACTURING PRODUCTS FROM 28 LOCATIONS LOCATED IN 15 COUNTRIES ACROSS FIVE CONTINENTS.
MARKETING PRODUCTS IN 124 COUNTRIES.
DISTRIBUTING PRODUCTS THROUGH MORE THAN 50 GLOBAL SUBSIDIARIES.
EMPLOYING INDIVIDUALS FROM 25 NATIONS.

Background

- UPL Limited is part of a US$ 1.77 billion industrial group
- UPL (established 1969) is headed by Mr. Rajju Shroff (Chairman) and assisted by experienced professionals

Footprint

- Headquartered in Mumbai, India
- Manufacturing presence across 28 international locations (nine in India, three in France, two each in Argentina, the Netherlands and the USA and one each in Vietnam, Colombia, Italy, Spain, China, UK, Brazil, Turkey, Israel and South Africa)
- Indian manufacturing units are located at Vapi, Ankleshwar, Jhagadia, Halol, Jammu and Haldia
- Global sales presence across 124 countries (through subsidiaries and associates)
- Global marketing presence via more than 50 subsidiaries in 124 countries

Offerings

The Company's products comprise fungicides, insecticides, herbicides, rodenticides, fumigants, post-harvest chemicals, fertilisers and seeds, plant growth regulators and industrial and specialty chemicals.

Registrations

The Company has more than 3,500 product registrations, which represent a clearence from statutory authorities to market agrochemicals in their respective countries.

PRODUCT PROFILE

Agrochemicals

Fungicides	Herbicides	Insecticides
Manzate Prostick	Super Wham	Starthene
Vandozeb	Tricor	Lancer Gold
Saaf	Devrinol	Phoskill
Cuprofix	Ultra Blazer	Ulala
Blue Bordo	Dost Super	Assail
Microthial	Fascinate	Trinca
Uthane	Surflan	Bifenture
Unizeb Gold	Saathi	Tengard
Elixir	Eros Gold	Bracket
Super Tin	Jhatka	Doom
Topsin	Lagaam	Umet
Penncozeb	Zartan	Viraat

Industrial and speciality chemicals

White/Yellow Phosphorus (WP/YP)	Triphenyl Phosphate (TPPA)
Phosphorus Red (RP)	Meta Chloro Phenyl Isocyanate
Phosphorus Trichloride (PCL3)	Triphenyl Phosphite (TPPI)
Phosphorus Oxychloride (POCL3)	Triethyl Phosphite (TEPI)
Phosphorus Pentachloride (PCL5)	Phenyl Isocyanate (PI)
Phosphorus Pentoxide (P2O5)	Meta Chloro Phenyl Isocyanate (MCPI)
Trimethyl Phosphite (TMP)	

Seeds

Field crops	Vegetable crops
Rice – PAC 835, 807, 801	Peas – GS 10
Field corn – PAC 740	Cauliflower – Shigra
Forages – Nutrifeed, Sugar graze, Makkhan grass	Cabbage – G Ball 65
Grain Sorghum – PAC 501	Beet Root Lalima
Mustard/Canola – PAC 401, CORL 432	Spinach – Shobha

KEY PRODUCT PROFILE

Acephate
Acephate is a systemic, broad spectrum organophosphate insecticide with contact and stomach activity. It is widely used on agricultural crops like cotton, rice, vegetables etc for the control of a wide range of chewing and sucking insects like hoppers, aphids, thrips, lepidopterous larvae, sawflies, leaf miners, borers, cutworms, etc.

Metamitron
Metamitron is a systemic and selective herbicide. It controls pre-emergent and post emergent weeds. Used against grass and broad-leaved weeds in sugar beet and fodder. Can be applied as pre-drilling incorporated or pre- and post-emergence.

Propanil
Propanil is an acetanilide post-emergence herbicide used widely in the control of numerous grasses and broad-leaved weeds in rice.

DEVRINOL
Devrinol is a selective systemic pre-emergence herbicide for the control of grass and broad-leaved weeds. It has long residual activity, providing lasting control of weeds in brassicas, oilseed rape, sunflowers and safflowers.

Mancozeb
Mancozeb is a Dithio carbamate, broad-spectrum, multi-site, non-systemic fungicide with protective action. It controls many fungal diseases in a range of field crops, fruit, nuts, vegetables, ornamentals, etc. – early and late blight of potatoes, tomatoes, downy mildew of grape-vines, downy mildew of cucurbits, scabs and sigatoka of bananas and melanose of citrus.

Copper
Copper is an inorganic Foliar fungicide with preventive action. It controls diseases like melanose, scab, pink pitting, alternaria and phytophthora in citrus. It is also used for the effective control of disease in fruit, nuts and vegetables.

AT UPL, SUSTAINABILITY IS...

At UPL, sustainability is not just a concept.
It is a reality that can be measured.

Sustainability is the ability to grow revenues every single year of the last ten years (25% CAGR)

Sustainability is the ability to generate an attractive profit margin (9%, 2013-14) during challenging industry phases

Sustainability is the ability to outperform the global industry growth average by a consistent 3.9x over the last 10 years

Sustainability is the ability to generate free cash flows after capex, share buyback and debt servicing

Sustainability is the ability to effectively manage the receivables cycles in a sector marked by extended credit

Sustainability is the ability to maintain the percentage growth rate even on larger revenues

Sustainability is the ability to achieve a return of more than ₹15.84 for every hundred rupee invested during the last five years

Sustainability is the ability to turn acquired international assets around with speed

Sustainability is the ability to cap net gearing at 0.45 even during investment phases

Sustainability is the ability to report an interest cover of at least 7.0 even during investment phases

Glufosinate

Glufosinate is a contact non-selective herbicide used extensively in the control of a broad range of grasses, broadleaf weeds and sedges. Glufosinate is effective in the control of difficult-to-kill weeds especially those which have developed resistance to other non-selective herbicides. It is used in the control of weeds in 'glufosinate tolerant crops'. It is also used in weed control in plantation crops like oil palms in Malaysia. It, being non-selective herbicide, it is used in the complete burn down before planting agricultural crops.

Sulphur

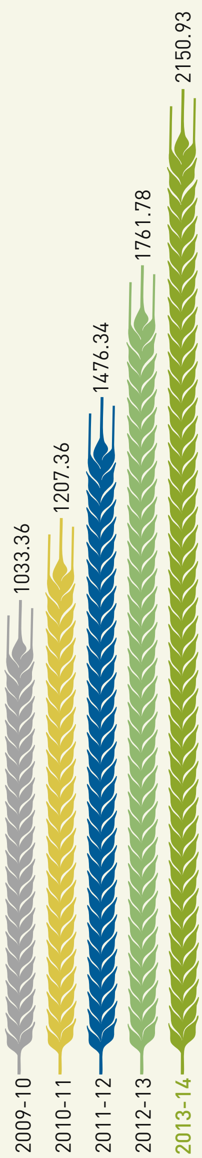
Sulphur is an inorganic, non-systemic protective fungicide with contact and vapour action. It possesses secondary acaricidal activity. It is used for powdery mildew control in grapes, fruits, nuts, vegetables, cereals, sugar beets and berries; used extensively for scab control in apple, pears, peach; leaf spot control in vegetables; mite control in citrus, grapes and vegetables.

THIS IS HOW WE HAVE EXTRACTED SUSTAINABILITY FROM UNCERTAINTY OVER THE YEARS

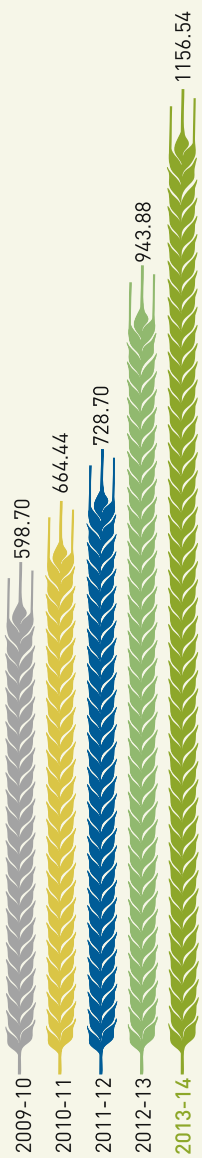
Financials, 2013-14

- Achieved a topline growth of 17% and a bottomline growth of 23%
- Achieved EBIDTA growth of 22% from ₹1,762 crore in 2012-13 to ₹2,151 crore
- Increased PAT by 26% from ₹741 crore in 2012-13 to ₹935 crore
- Strengthened ROCE by 413 basis points from 14.80% in 2012-13 to 18.93%

Revenue
(₹ crore)



EBIDTA
(₹ crore)



PBT
(₹ crore)

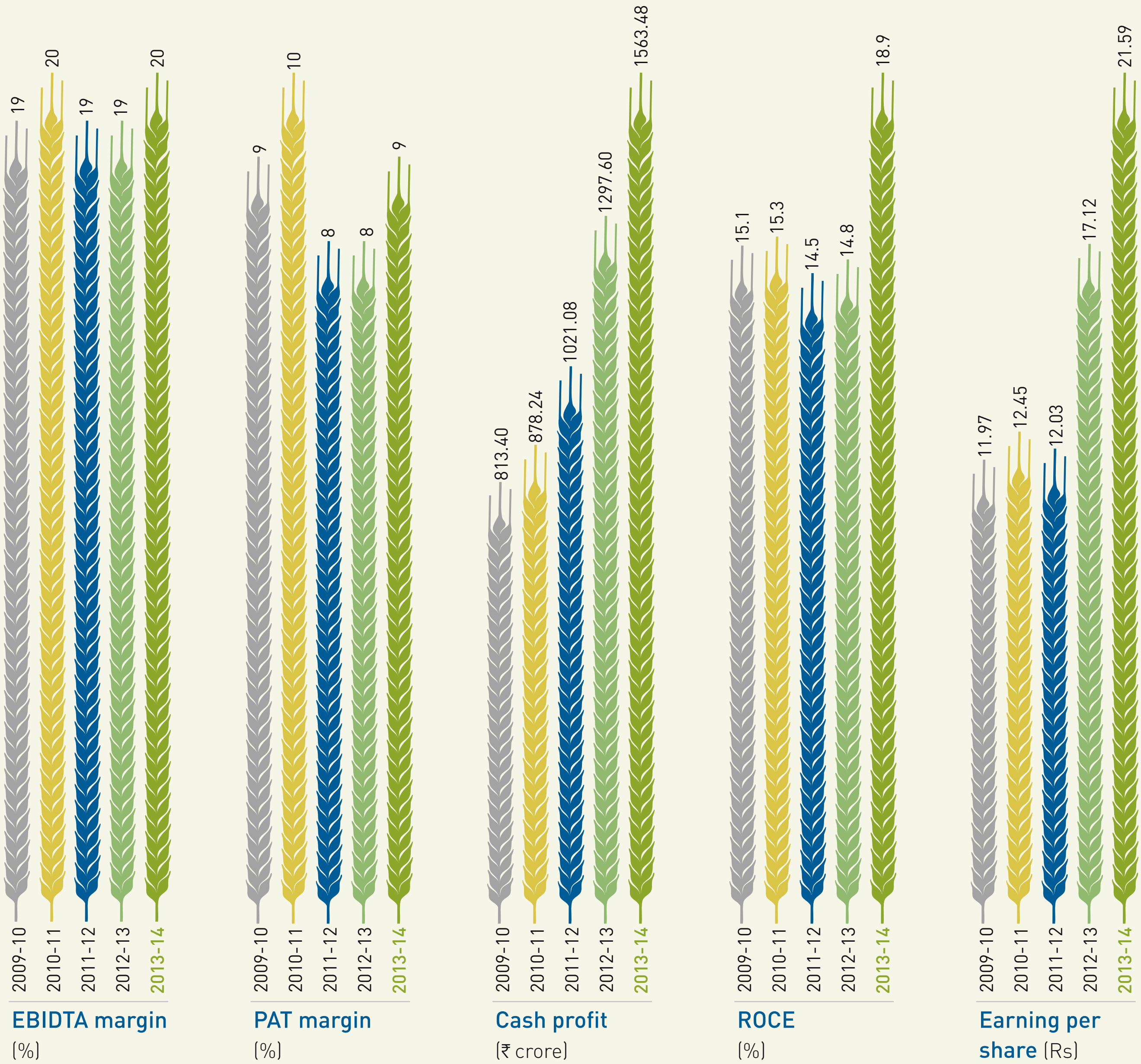
Post tax profit
(₹ crore)

Strategic, 2013-14

- R&D innovations in 2013-14
- Development of unique technology for the commercial production of a broad spectrum herbicide
- Development of a novel catalyst system for the effective production of third generation synthetic pyrethroids
- Development and commercial production of a new generation herbicidal formulation
- Development of a novel herbicidal combination for the control of a broad spectrum of weeds affecting soybean
- Invested in a coal-based 25-MW captive power plant to save utility costs
- Cost optimisation measures generating ₹280 crore in savings during 2012-13 and 2013-14

Marketing, 2013-14

- Introduced 27 new products in 2013-14



"AT UPL, OUR JOB IS ONE. TO DRIVE FARMER PROSPERITY. EVERYTHING ELSE IS A BYPRODUCT."

Mr Rajju Shroff, Chairman of UPL Limited, analyses the Company's 2013-14 performance

Dear Shareholders,

The year 2013-14 represented a milestone for UPL Limited for a number of reasons.

The Company crossed ₹10,000 crore in revenues for the first time, increasing revenues by 17% over the previous year.

The Company reported an EBIDTA of ₹2,151 crore, which was a 22% growth over 2012-13; correspondingly, net profit increased by 23% over 2012-13.

What gives me greater satisfaction is that we reported profitable growth; our EBIDTA margin strengthened by 77 bps to 19.7% and the Company continued to be cash positive during the year under review despite having incurred a capital expenditure of ₹577.44 crore in FY14.

Our global revenue growth was highest among our peer group; correspondingly, we outperformed growth in almost every single market of our presence.

Performance drivers

There are a number of reasons why UPL Limited outperformed its sectoral average over the last few years.

Every farmer needs a complement of products to address the needs of a variety of crops; we strengthened our product portfolio to address widening customer needs; we invested in research - formulating, balancing and bettering - to create a strong pipeline of innovative products, evolving us into a one-stop shop.

Every farmer needs cost-competitive products; we reinforced our procedural

The CMD Mr. R.D.Shroff supervising farm activities efficiency to moderate nearly ₹280 crore in overheads across 2012-13 and 2013-14; we provided technical know-how from our competitive Indian units and formulated products at units closer to global hubs, making it possible to provide a super price-value proposition.

Every farmer desires peace of mind; we provided a comprehensive solution comprising high-yielding seeds (through a group company), pre-harvest and post-harvest farm care; we created one-stop Unimart stores where farmers could get their diverse product needs serviced.

Every farmer needs handholding in the field of pest management; we trained and educated farmers on the responsible use of fertilisers and pesticides making it possible for them to generate superior yields; besides, we created hostels for farmers to be trained in holistic agricultural practices.

Every farmer needs product effectiveness; we widened the value chain through the manufacture of raw materials, enhancing end product quality and effectiveness; besides we developed products delivering a higher product efficacy over competing alternatives.

Every farmer needs products to be in stock each time he wishes to buy; we strengthened our distribution network with the objective to always be in stock across regions and countries.

Business-strengthening presence

Over the years, our competitive advantage translated into enhanced scale; UPL is way ahead of other agrochemical players in India, which reflects high barriers in building a successful global agrochemical business.

In the past, generic formulations dominated our product portfolio; we are now focusing on differentiated formulations with the objective to launch nine products (mostly patent protected) over three years.

Going ahead, the Company expects to leverage its partnership with ISK Japan to launch innovative molecules. In doing so, we expect to replicate the success of Ulala (novel insecticide) which reported sales of ₹67.78 crore within a year of its launch in FY13; the Company expects to develop at least five mega brands in the near future.

UPL will leverage its B2B and B2C customer base, interacting closely to fulfill their requirements and carving out a larger market share.

UPL will reinforce its competitive manufacturing and distribution competencies, emphasising that it is one of the best models to play the global agrochemical opportunity.

In doing so, we expect to replicate the success of Ulala (novel insecticide) which reported sales of ₹67.78 crore within a year of its launch in FY13

Increasing emphasis on food security

The outlook of the industry catalysing UPL's growth has never been this optimistic.

Take India, for instance, a country where UPL generates 21% of its revenues. India accounts for more than 17% of the global population but only 2.3% of its landmass. The combination of rapid urbanisation and growing population are putting an intense pressure on increasing food production.

Though the country evolved from a food deficit to surplus over the decades, the future remains daunting: India will need to feed 1.4 billion people by 2020 and 1.6 billion by 2050. Nearly 80% of Indian farmers are marginal, making it imperative to enhance productivity. Besides, only 60% of the country's net

cultivated area is rain-fed, translating into erratic production numbers.

In this challenging environment, crops lost due to pest and disease infestation are estimated at nearly ₹50,000 crore per annum *(Source: Yes Bank and Assocham)*. This loss is attributed to low pesticide consumption (less than two per cent of the global consumption) and confined to a fourth of the country's arable land.

Just like the human body is prone to diseases leading to the need for medication, crops also contract disease or are attacked by pests, warranting agrochemical use in a regulated and prudent manner. The industry is regulated by the Insecticides Act 1968, ensuring the introduction of safe and responsible products. All products need to pass through extensive field tests to ascertain their impact on the ecosystem. As a means to this end, Food Ministry officials draw periodic samples to ascertain product toxicity. Besides, India's pesticide consumption is considerably low compared to the global average - around 500 grams per hectare compared to Japan (12 kilograms) and Germany (3 kilograms).

There is another aspect to consider. Even as China has 120 million hectares of farm land whereas India has 148 million hectares, China's food production was valued at around US$900 million compared with US$300 billion in India due to a higher responsible pesticide consumption estimated at 3-4 kilograms per hectare.

Considering that India needs to double agricultural output over three decades to feed a growing nation, it needs to enhance the judicious use of crop protection chemicals with surety and urgency.

Overview

I would like to assure shareholders that the macro conditions influencing our sector continue to be favourable. UPL is competently placed to capitalise through a robust business model. What has worked for us in the recent past will continue to work for us over the foreseeable future with one difference – the scale and urgency will increase, translating into larger value in the hands of all the stakeholders in our Company.

Rajju Shroff
Chairman

UPL'S GLOBAL COMPETITIVE ADVANTAGE

EXPERIENCE
The Company has been engaged in the business of crop protection chemicals over four decades. The Company is headed by a team possessing an average industry experience of 22 years. This experience has helped the Company emerge as the fastest growing generic agrochemical company in the world.

REACH
The Company enjoys a presence in 124 countries across continents, de-risking the Company from an excessive dependence on any one country. The result is that no country accounted for more than 21% of the revenues in 2013-14.

SCALE
The Company invested in large capacities to leverage economies-of-scale. For instance, UPL is the largest global manufacturer of a number of agrochemical products (Mancozeb, Aluminium Phosphide, Cypermethrin, Monocrotophos and Devrinol, among others).

ASSETS
The Company operated out of 28 manufacturing units (nine in India, three in France, two in Argentina, The Netherlands and the US, and one each in Brazil, China, Vietnam, Colombia, Israel, South Africa, Italy, Turkey, UK and Spain), facilitating customer proximity. The Company leveraged the cost advantage arising out of its Indian operations; nearly 65% of the Company's production was sourced from within India.

BRANDS
The Company consistently invested in building brands that stood for trust, quality, efficiency and efficacy. The Company generated nearly 75% of its revenues through branded products in 2013-14.

FLEXIBLE
The Company manufactured products in-house where it was most competitive and outsourced the manufacture of relatively low-value non-complex products.

DISTRIBUTION
The Company's hub-and-spoke distribution approach reconciled a large part of bulk chemical manufacture in India and formulations manufacture in diverse countries. The Company has efficient distribution channels in the countries of its presence.

FINANCIALS

The Company's sustainable performance was driven by a strong Balance Sheet marked by a strong net debt-equity ratio of 0.44 (as on 31st March 2014) and working capital cycle of 93 days of turnover equivalent (2013-14). The Company reported revenues of ₹10,902 crore and a cash profit of ₹1,563 crore.

REGISTRATIONS

The Company possesses registrations across 109 countries (fastest growing countries include Brazil, US, Canada, China, Australia, Vietnam, Mexico, India, Argentina, Colombia, Morocco, Egypt, France, Spain, Italy, Germany and South Africa, among others). UPL registers around 200 new products yearly resulting in a deep market access. It created a strong repository of product studies customised across countries. The Company's competent team ensured a holistic documentation discipline leading to timely registrations.

R&D

The Company invested judiciously in R&D leading to the periodic introduction of innovative products.

PORTFOLIO

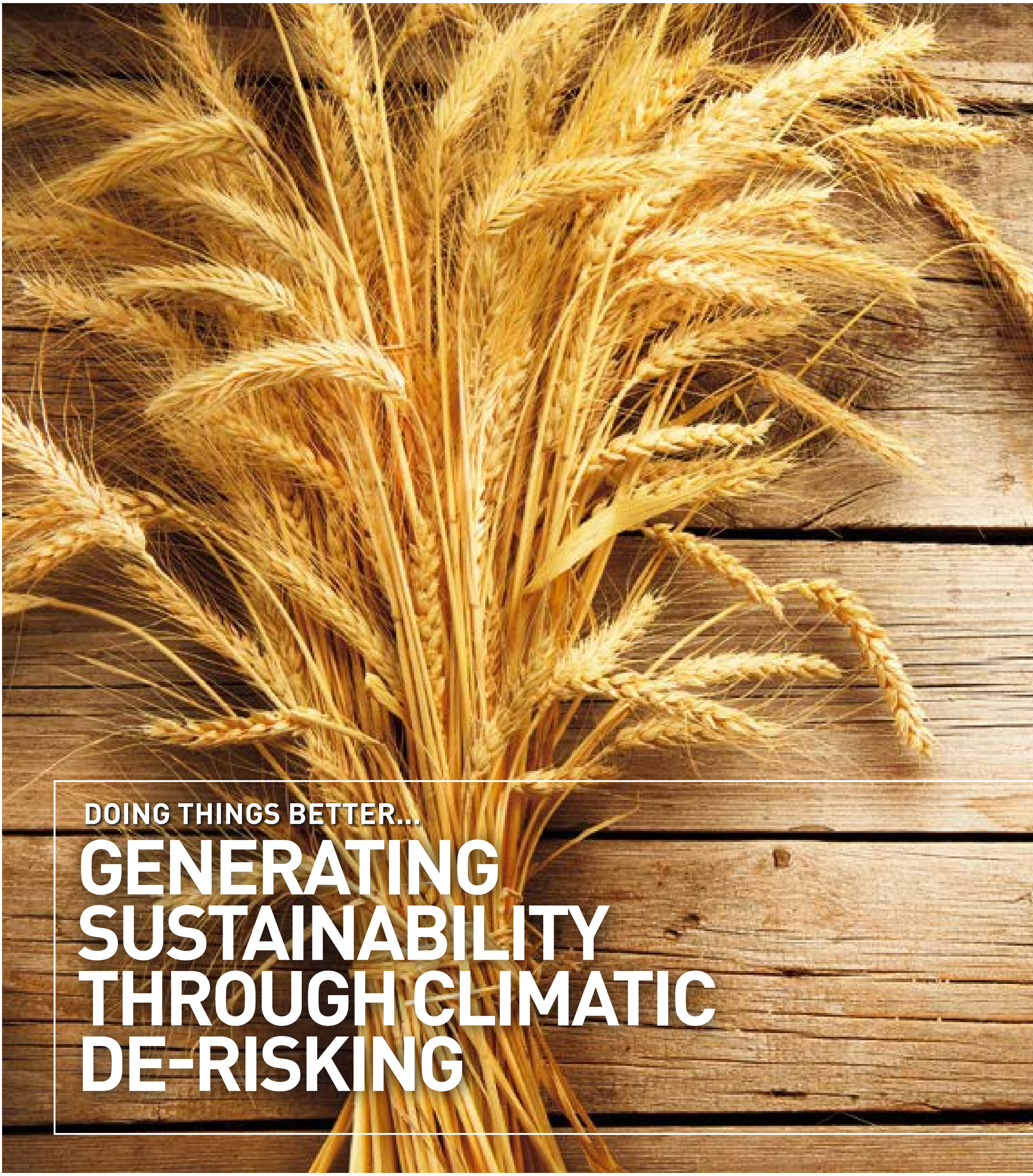
The Company caters to every conceivable agricultural need - from quality seeds to seed treatment solutions; from pre-harvest and post-harvest to storage treatment products and farmer feed schools. The Company's wide product range (pesticides, herbicides, insecticides and rodenticides) evolved it into a one-stop-shop for farmers. Besides, the Company's Unimart retail format provided farmers with convenient crop solutions.

INTEGRATION

The Company integrated its value chain, making it possible for the finished product of one process to serve as the raw material for another. The Company manufactured building blocks like phosphorus, chloralkali and power (generation), translating into high quality and competitive costs.

VALUE CHAIN

The Company established a presence across the value chain of agrochemical solutions - from proprietary research to registration capabilities to manufacture (own and outsourced) to packaging to marketing.



DOING THINGS BETTER...

GENERATING SUSTAINABILITY THROUGH CLIMATIC DE-RISKING

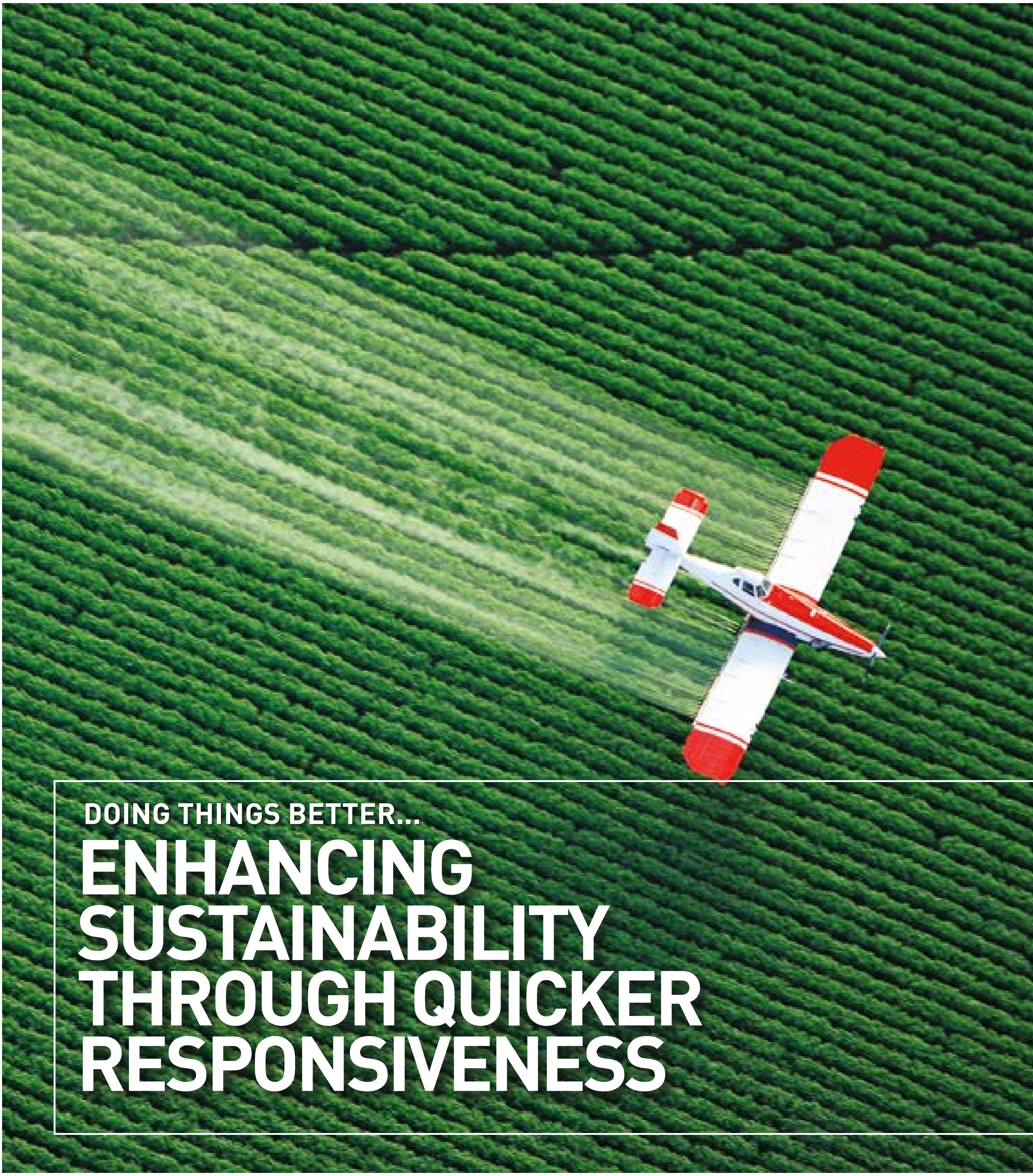
AT UPL, WE RECOGNISE THE GROWING NEED to derive sustainability from uncertainty through climatic de-risking.

The importance of this priority cannot be underestimated. An excessive reliance on a single climatic pattern could have exposed the Company to years of high surpluses followed by sharp declines in the event of erratic climatic patterns. In turn, this volatility could have affect projections, investments, capacity building and credibility.

However, at UPL, we have emerged as progressively climate-agnostic through the following initiatives:

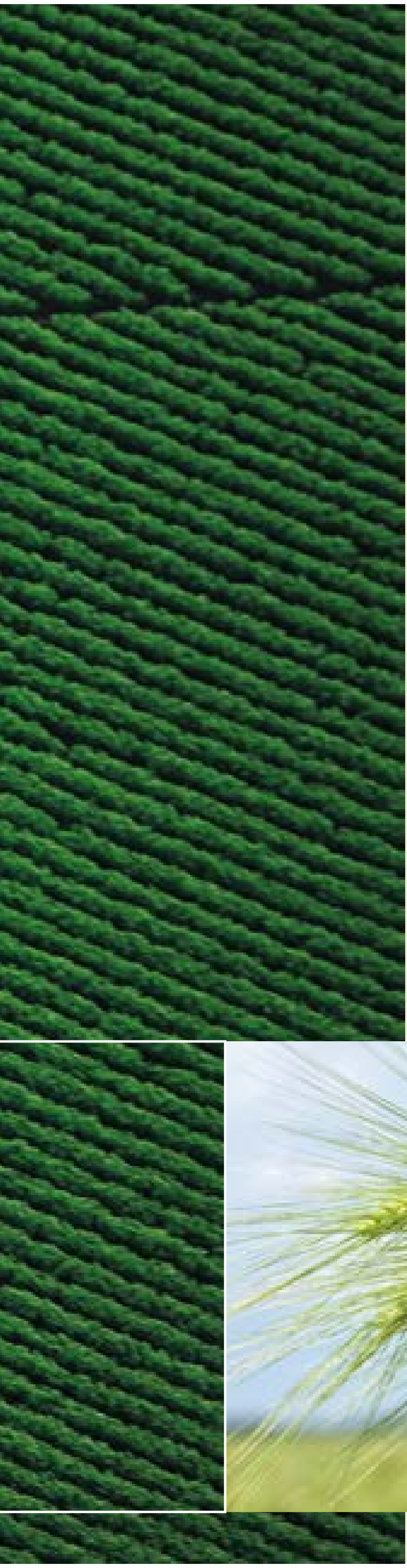
- The Company diversified its marketing presence across five regions; no region accounted for more than 31% of revenues
- The Company increased its international coverage to 124 countries in 2013-14, relatively insulating it from an excessive dependence in each; no country accounted for more than 21% of revenues in 2013-14
- The Company reinforced its presence in key agricultural markets like the US, Brazil, India and Europe (France, Spain and the Netherlands) among others, through a deeper engagement in each market.

Despite increased global warming and resulting climatic unpredictability, the Company reported a 25% compounded increase in revenues in the ten years leading to 2013-14, considerably higher than the global industry average.



DOING THINGS BETTER...

ENHANCING SUSTAINABILITY THROUGH QUICKER RESPONSIVENESS



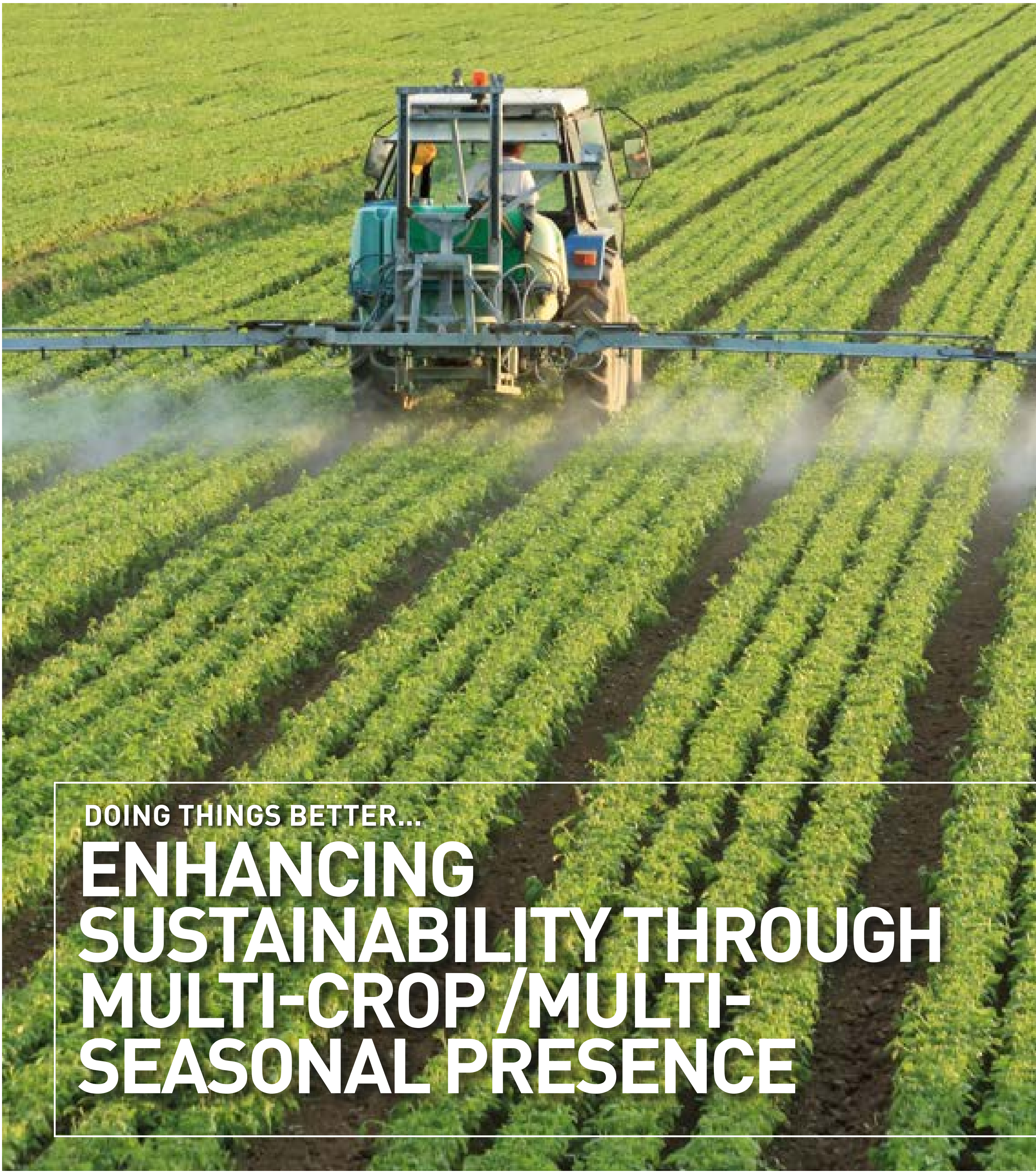
AT UPL, WE RECOGNISE THAT THE KEY TO success in the global agrochemical industry is not derived only from an extensive presence but the ability to service evolving requirements with speed across diverse geographies.

This is an important requirement for a good reason: when a corporate is slow to respond to sudden farmer requirements – induced by changes in climate, pest action, pricing dynamics or cropping pattern – the customer generally shifts to competing brands.

At UPL, we enhanced our customer proximity through the following initiatives:

- The Company created a distribution pipeline in the countries of its presence, making it possible to distribute from factory to farm in the shortest possible time

Despite quicker market place changes, the Company achieved a higher sales fulfillment.



DOING THINGS BETTER...

ENHANCING SUSTAINABILITY THROUGH MULTI-CROP /MULTI-SEASONAL PRESENCE

AT UPL, WE RECOGNISE THAT SUSTAINABILITY in the global agrochemical industry is derived from the ability to generate sales across crops and seasons.

This is an important requirement: focus on one or few crops could represent a risk especially if that crop encounters a large surplus and consequent decline in realisations. By creating products that address a broader basket, a company like UPL can potentially recoup a decline in the consumption of one product (addressing a specific crop) with an increase in another passing through a favourable cycle.

The same rationale applies to the selection of seasons; a growing season in one region could be offset by a harvest season in another; a weak season in one could be offset by a robust season in another, de-risking the Company from an excessive dependence on specific season types.

At UPL, we balanced our crop and season exposure through the following initiatives:

- Created a product portfolio covering diverse crops
- Created a multi-geographic presence across continents with different climatic conditions

Despite an agrochemical industry that grew 8.5% in 2013-14, UPL grew its topline by 17%.

DOING THINGS BETTER...

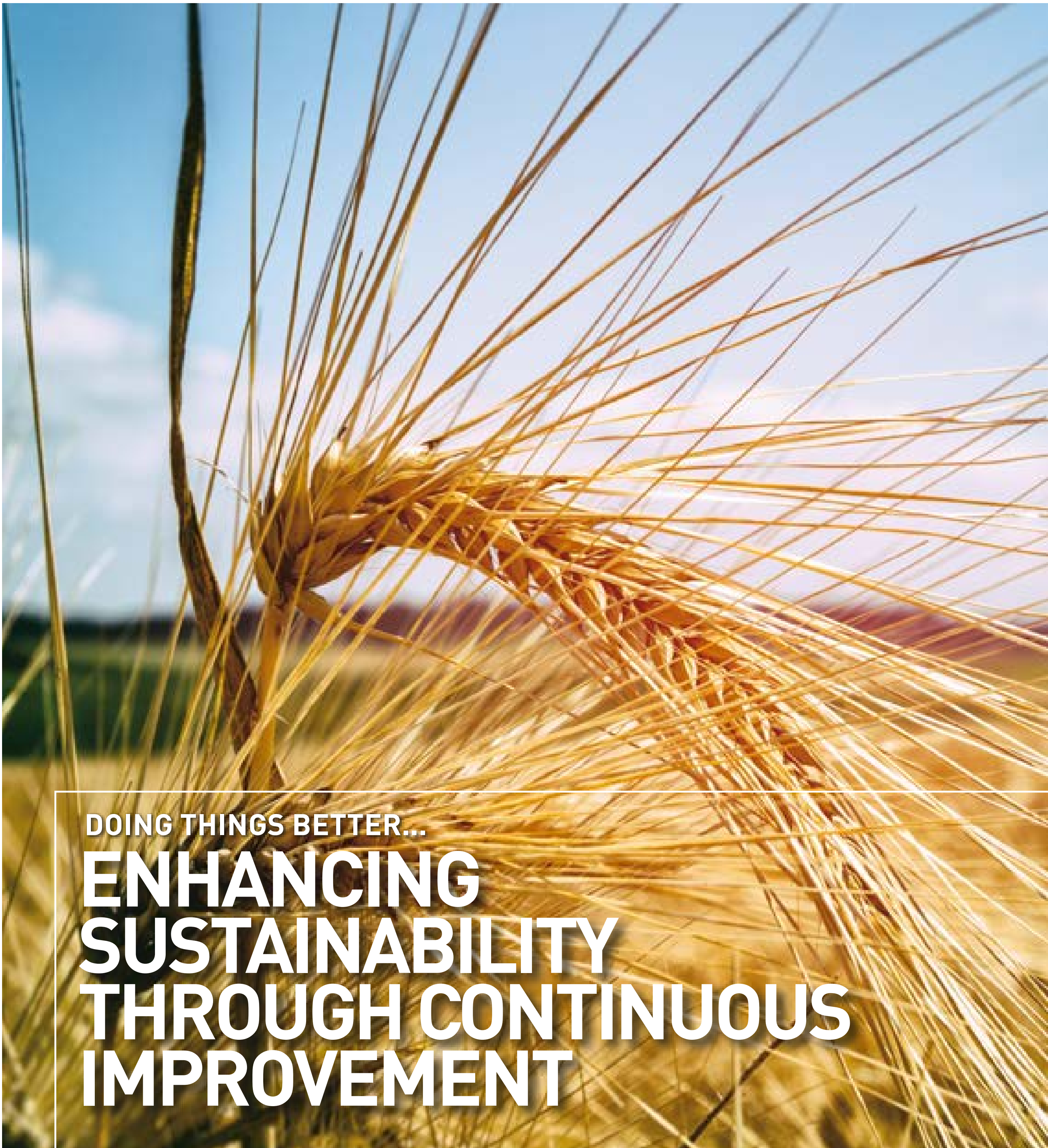
ENHANCING SUSTAINABILITY THROUGH A MULTI-COUNTRY MANUFACTURING PRESENCE

AT UPL, WE RECOGNISE THAT FOR A GLOBAL agrochemical company to succeed what is required is a dispersed manufacturing presence that leverages core competencies on the one hand with adequate swing capacity on the other.

At UPL, we have arrived at a working balance of what will be manufactured where and for what benefits across all of our 28 international locations. This is reflected via the following:

- The Company selected to commission some of the largest capacities of certain products in India, capitalising on an abundant availability of professionals, raw materials and power; this translated into attractive economies-of-scale that made it viable for the Company to export products anywhere in the world
- The Company equipped most plants with swing capacities, making it possible to address evolving demand patterns
- The Company significantly invested in manufacturing integration wherein raw materials manufactured by one plant served as inputs for the others
- The Company allocated its excess manufacturing capacity to third parties, generating tolling revenues

An increase in the number of plants over the last decade and significant increase in capacity utilisation, strengthened the Company's return on gross block in 2013-14.



DOING THINGS BETTER...

ENHANCING SUSTAINABILITY THROUGH CONTINUOUS IMPROVEMENT

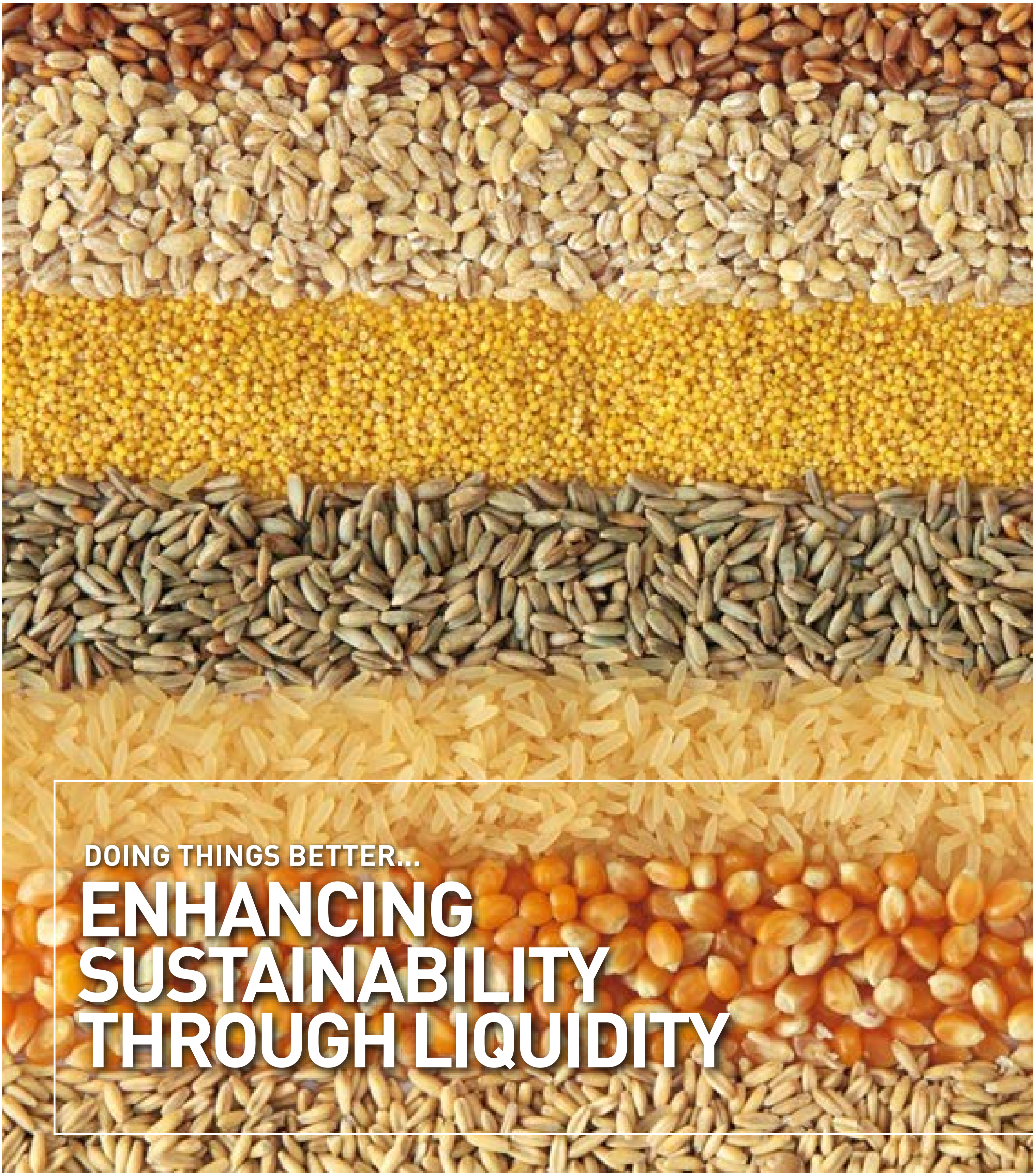
AT UPL, WE RECOGNISE THAT IN A COMPETITIVE business influenced by numerous variables, what is required is consistent improvement across the board.

This is an important consideration: there are a number of success drivers at UPL and even a reasonable upturn in each can translate into an attractive aggregated improvement.

At UPL, we reported the following business-strengthening improvements over the last few years:

- Increased the number of manufacturing shifts to enhance asset utilisation
- Enriched byproduct generation resulting in value-addition
- Initiated efficient material recovery
- Procured raw materials through long-term contracts

Starting 2012-13, the Company's various initiatives helped save ₹280 crore, strengthening UPL's competitiveness.


DOING THINGS BETTER...
ENHANCING SUSTAINABILITY THROUGH LIQUIDITY

AT UPL, WE RECOGNISE THAT SUSTAINABILITY stems from a robust Balance Sheet.

This is a vital requirement in a challenging global industry: the agrochemical industry is marked by long receivables, the business is capital-intensive, commodity margins are thin and successful products are periodically replaced by better variants.

At UPL, we reinforced our business around the following fundamentals:

- The Company paid ₹786 crore (towards debt repayment) and ₹284 crore (towards buyback of shares) helping moderate its net gearing from 0.57 in 2012-13 to 0.44 in 2013-14 and enhance interest cover from 6.66 to 7.19.
- The Company generated revenues worth ₹10,902 crore supported by a cash profit of ₹1,563 crore and a cash balance of ₹1,023 crore.
- The Company utilised its cash pool to buy back 1,40,00,000 shares aggregating ₹283 crore

The Company strengthened its EBIDTA margin from 19% in 2012-13 to 20% in 2013-14; ROCE improved from 14.8% to 18.9%.

DOING THINGS BETTER...

ENHANCING SUSTAINABILITY THROUGH IMPROVED PRODUCTS AND PROCESS INNOVATION

AT UPL, WE RECOGNISE THAT SUSTAINABILITY IS largely derived from the ability to introduce new and better products that address unmet customer needs.

This is an important requirement in a competitive business: as pest attacks become increasingly resistant to agrochemicals, a new generation of products needs to be continuously developed.

At UPL, we enriched our portfolio through the following initiatives:

- The Company continues its thrust on investments in research and development. R&D accounted for 2% of the Company's revenues during the year under review
- The Company evolved its product mix from the manufacture of generic to branded products (premium); revenues from branded products increased substantially
- The Company introduced products with higher efficacy, requiring lower farm application and with the ability to withstand climatic extremes more competently
- The Company introduced niche products in the five years leading to 2013-14

Result: Revenues derived from the launch of new products accounted for ₹300 crore in 2013-14.

Old insects. New counter-action

In 2013-14, UPL launched Ulala, a first-of-its-kind product. The product demonstrated its effectiveness against the sucking insect with a unique action mode. The product blocks the insect's sucking power resulting in the insect starving to death. The product enjoyed positive demand especially from cotton and rice farmers. In its first year of launch, Ulala generated ₹68 crore.

An overview by
Jai Shroff, Global CEO

Q Were you pleased with the performance of the Company in the financial year 2013-14?

I was indeed pleased with the performance of the Company in 2013-14 because a number of things that we had anticipated converged, leading to industry outperformance. We launched new products in India, we achieved a large number of patents, we strengthened supply linkages from some of the lowest cost manufacturing centres and we grew two of our largest business areas (South America and India).

Q What is the big message that you would like to place before shareholders?

The big message that I want shareholders to appreciate is that we generated sustainability from uncertainty, which is also the theme of this year's annual report. Consider the challenges: weather patterns keep altering all the time whereas our production patterns are generally decided six months in advance. The very nature of the business could be fundamentally challenging. So in a business like ours, the challenge lies in responding with speed so that farmers have the right products for the right crops in the right regions and during the right seasons. While shareholders are likely to seek a validation of our strategy from the 23% increase in our bottomline, what I would nudge them to see is the manner in which we reported profitable growth – the 17% increase in our topline was corresponded by a 23% increase in our bottomline during the year under review. This indicates that the larger we grew, the more profitable we became.

Q What are some of the other financial metrics that you would like your shareholders to take note of?

There are quite a few numbers deserving such attention. One, the global agrochemical industry grew by 8.5% during the year under review; UPL grew by 17%, making it arguably the fastest growing generic agrochemical company in the world. Two, our incremental margins – an EBIDTA margin of 19% in 2012-13 to 20% in 2013-14. Three, we increased our cash profit from ₹1,298 crore in 2012-13 to ₹1,563 crore in 2013-14 and finished the year under review with ₹1,023 crore in cash and bank balances or equivalents, which is a creditable achievement in a cash-strapped economic environment. This underlines the point that at UPL, the objective is profitable revenue growth and free cash flow generation.

Q At first glance it might appear that the year under review was smooth.

That would be contrary to what actually transpired. These are some of the challenges that we encountered during the year under review:

- There was an increasing incidence of climatic unpredictability; the winter was delayed by a month in some countries, the summer was harsher than usual largely across the world, there were droughts in some pockets and freak rainfall in others that defied established cropping patterns, forecasts and budgets.
- There was the challenge of aligning our acquisition in Brazil in line with the Uniphos philosophy.
- There was the challenge of selecting the right international hub to manufacture specific products around established economies-of-scale and then supply to specific markets to eke out the highest returns.
- There was the challenge in managing our cost of production as most of commodity prices were uncertain, unstable and unpredictable
- There was the challenge of a sudden spurt in the cost of imported outputs due to forex fluctuations and a weakening of the Indian rupee against major global currencies

Q How did the Company respond to these challenges?

One of the most effective ways in which we addressed these challenges was by reaching deeper into the markets of our presence. This might sound like a cliché but the reality is that we keep going back to our customers. We try to understand their needs and figure out if he is not being competently serviced. Thereafter we widen our product range and go back to farmers with a more extensive portfolio. That represents the first step towards extending from a one-off transaction into an enduring relationship – from a relationship that covers a handful of products to one that covers a large range; from a point where he is moderately interested in what we have to offer to a point where he is excited by our widening range. At United Phosphorus, we recognised that the basis of our sustainability was a bottom-up understanding of the quantum of products that each farmer would buy – across every region of every country of our presence. It was this customer-connect that represented our biggest insurance in a climatically uncertain world.

Q How did these initiatives translate into efficient working capital management?

Here too various initiatives came into play. One, we explored ways of shortening our supply chain, which helped us recover receivables faster. Two, we started segregating our receivables under separate heads (for example, in terms of number of days) which enhanced our clarity on where the critical points lay. Three, we began to live with smaller inventories without compromising our ability to deliver products just when customers wanted them. Four, we leveraged our economies-of-purchase to be able to negotiate better with our suppliers. Five, we lived with a wide geographic coverage so that a drought in one country was probably more than offset by robust demand in other country. Six, we moved towards a flexible inventory; in the case of bulk or technical inventory which is not tagged, we enjoyed the flexibility to move it from one country to another; in the case of tagged inventory, we delayed packing to address demand variations and in doing so reduced the cycle time between manufacture and dispatch. Seven, we created formulation facilities near our consuming markets, minimising logistics costs.

Finally, in our business, the weather unpredictably continues to be a challenge for the customers to forecast their requirements in advance. In order to meet this challenge, the Company has geared up its supply chain (including manufacturing facilities) giving the customers an opportunity to order the products closer to the farmer's needs. The result being, customers are able to source larger volumes with lower working capital outlays leading to a win-win situation.

Q Going ahead, what is the basis of your optimism?

There are a number of reasons why one is optimistic. One, our overall cost structure is one of the lowest in the generic agrochemical space the world over. Two, we have complemented this cost advantage with an aggregate capacity that is amongst the largest in the generic agrochemical space in the world. Three, we have already expensed investments in our global marketing infrastructure across more than 120 countries. Four, our product profile is yet to mature to peak market, share so one is optimistic rising revenues. Five, in a number of products we are not just trying to carve away market share but are attempting to create new markets. Six, we are investing in a coal-based 25 MW power plant in Jhagadia which will help us rationalise utility costs starting from the middle of FY15.

Q What is the outlook for the business in FY15?

We expect to grow our topline 12-15% around improved margins. We expect to launch more products. We will leverage our supply chain more effectively. We are tightening processes to reduce variable costs. We will focus on organic growth over acquisitions. We expect our South American and Indian business to grow faster than the market. A large part of our capex (₹200 crore) in regulatory clearances will increase product introductions. This will help us achieving sustainable and profitable growth with large cash flows thereby enhancing shareholders value. .

Our business model

UPL LIMITED WENT INTO BUSINESS AT A TIME WHEN THE AGROCHEMICAL SECTOR IN INDIA WAS LARGELY UNORGANISED. THE COMPANY WAS CREATED WITH THE VISION TO INSPIRE FARMER AND STAKEHOLDER TRUST THROUGH CREDIBLE ACTION.

A few decades ago, agrochemical companies generally delivered outside the purview of quality control. In this business, companies generally delivered products that were inconsistent with significant deviations from what had been promised.

Right from the inception, UPL conducted its business in a manner that its brand became trusted by customers in terms of quality, safety and timely delivery.

A few decades later, the Company has garnered peer respect, an industry leading position, a strong Balance Sheet and a market capitalisation of ₹7,892.74 crore (as on 31st March, 2014).

This differentiation was achieved through a business model that focused on enhancing value for all those who provided material to the Company, purchased from it and invested in it.

The result is that we expect to strengthen our brand, grow our volumes, protect margins, increase surpluses, share a part of this surplus with our stakeholders and redeploy the rest into the business with the objective to create a larger and more vigorous virtuous, enhancing value for all stakeholders in our Company.

Focus

At UPL, our focus is not to maximise profits and margins; it is to enhance the farmer's profits and margins. Once we do this – through the prudent introduction of products that address specific pests and crops - we are confident that the Company's growth will be a logical byproduct.

Global

At UPL, we are building a global business which is reflected in the number of countries where our products are registered (and sold), the number of countries where we possess manufacturing plants, the number of international subsidiaries through which we are growing our business and the cosmopolitan nature of our employee force. Our objective is to position ourselves as an international organisation headquartered in India for reasons of history, convenience and competitive advantage.

Long-term

At UPL we believe we will endure as a business corporation if we recognise that there must be adequate value left on the table for our vendors, customers, employees and ourselves. A long-termism guides our decision-making and one of the prominent instances where this is highlighted is that we selected to commission manufacturing capacities across 15 countries instead of the conventional approach of locating all manufacturing facilities in India. The complement of our global manufacturing facilities makes it possible to select which unit for what product manufacture, enhancing capacity utilisation, reducing logistic costs and enhancing return on gross block.

Life cycle engagement

UPL is present across the entire life cycle of the farmer's engagement – from seed selection, pre-harvest care and post-harvest support. As a result, the Company has extended from transaction-focused to being relationship-oriented.

Value-addition

UPL invested significant sums across the value-chain – from proprietary research, access to agencies engaged in fundamental research, direct and outsourced manufacture of active ingredients and formulations, packaging capacity and wider and deeper market access (registration and products). Besides, the Company selected to manufacture value-added products considered well beyond the commodity ambit, resulting in increased margins. The Company

invested in the manufacture of building blocks (phosphorus, chloralkali, carbon disulphide and power) resulting in attractive cost savings.

Multi-product development

UPL's business model is significantly weighted towards agrochemical manufacture and marketing. Over the years, the Company progressively diversified its revenue mix to the point that no single product accounted for more than 15% of the Company's revenues during the year under review.

Financial integrity

UPL's organisational superstructure stands upon the foundation of a robust Balance Sheet. The Company's net gearing of 0.44 is attractively low for India's agrochemical industry. The Company's cost of borrowing is much lower than the prevailing cost in India. The Company's interest cover of 7.19 was higher than the prevailing industry average with adequate fiscal comfort.

Innovation-oriented

The Company invested extensively in crop protection research. The Company recruited a number of research professionals and invested in a research facility in Thane, Mumbai. The Company is also investing in an adjacent unit and plans to launch 75 to 80 new formulations in 2014-15.

Compliances

The Company is in an industry which is strictly regulated by most countries. Before launch, the product needs to be registered in the country for which a number of studies, field trials and inferences need to be submitted. UPL established the Jai Research Foundation, which engages in extensive field studies and registration procedures customised to the need of various countries.

UPL's global presence

Market	% of UPL revenues in FY14	Market size/UPL market share
North America	20%	US$12.16 bn/**2.3%**
India	21%	US$1.73 bn/**21.1%**
Brazil	15%	US$10.01 bn/**2.7%**
Europe	19%	US$14.63 bn/**2.2%**
Latin America (excluding Brazil)	11%	US$4.52 bn/**4.4%**
Asia + MEA excluding India	14%	US$17.64 bn/**1.3%**

[Source: Philips Mcdougall]

UPL's growth vis-à-vis market growth

Market	Industry CAGR 2008-13	UPL CAGR 2009-14
North America	3%	14%
South America	10%	41%
Europe	1%	7%
India	4%	17%
Rest of the world	5%	9%

[Source: Philips Mcdougall, May 2014]

Management discussion and analysis

Economic review

Global economy: The global economy experienced subdued growth for yet another year in 2013. As per the World Economic Outlook (January 2014), the global output grew 3.0% in 2013 against 3.1% in 2012. The first half of the year remained subdued, while the second half experienced better conditions. Most developed economies continued to counter the lingering effects of the slowdown. A number of emerging economies, which had already experienced slowdown for two years, encountered new headwinds in 2013. Advanced economies grew 1.3% (1.4% in 2012) while emerging economies grew 4.7% (4.9% in 2012).

Indian economy: The Indian economic growth slowed for another straight year with GDP growth of 4.7% compared to 4.5% in 2012-13. Fiscal deficit was 4.6%, lower than the targeted 4.8%. Growth in 2013-14 was attributed to the agriculture sector projected to grow at 4.6 (1.4% in 2012-13). Growth in the manufacturing sector contracted during the year under review owing to lower industrial output.

US growth is projected at 2.8% in 2014, up from 1.9% in 2013. Eurozone is turning the corner from recession to recovery, growth projected to strengthen to 1% in 2014 and 1.4% in 2015. Emerging market and developing economy growth is expected to increase to 5.1% in 2014 and 5.4% in 2015.

Global agrochemicals industry

The global market for agrochemicals (crop and non-crop situations) improved by 8.5% to $60,689 million at the distributor-level.

Global agrochemical market value (US$ million)

	Crop protection	Non-crop	Total agrochemical
2008	43,187	5,655	48,842
2009	40,147	5,860	46,007
2010	41,291	5,880	47,171
2011	46,539	6,290	52,829
2012	49,547	6,372	55,919
2013	54,208	6,481	60,689

[Source: Philips Mcdougall, May 2014]

Global crop protection market: The global crop protection market was estimated to have increased 9.4% to $54,208 million during 2013, thanks to improving prices of glyphosate, high crop commodity prices and US dollar strengthening. In Europe, the market was held by a late end to the winter, with both autumn and spring planting affected in the North and positive weather conditions in the South. Central and Eastern Europe were held back by a harsh winter, but benefited from favourable growing conditions in the summer and a generally improving economic scenario. The American market was affected by a late start to the spring, delaying maize and soybean planting; subsequent dry weather resulted in decreased root development but a high degree of pollination. Canada experienced another good year with strong harvests, despite wet weather affecting Western parts of the country. Mexico got off to a good start, but the second half of the year suffered from low precipitation. Strong crop prices and weaker currencies drove growth in the Latin America market despite a wet start to the season in Argentina, although inflation and trading conditions were difficult. Asian markets were generally positive in local currencies, but results were depressed on currency translation, except in Australia which was badly affected by drought.

Crop trends: In 2013, the global planted area of all major crops (except rapeseed and cotton) increased again. Except for cotton and rice, production was more positive, indicating an improvement in global yield. Maize and soybeans benefited from better growing conditions in the Americas. Rice and rapeseed suffered from adverse weather in Asia and Northern Europe respectively. Wheat benefited from better weather in North America and Southern and Eastern Europe. Cotton acreages are now in a phase of decline due to global overproduction and rising stocks, whilst production was affected by dry weather in Southern US.

The effect of this increase in production was a general rise in global stocks, which had a negative impact on crop commodity prices, giving rise to concerns over farm incomes and crop protection market performance in 2014.

Crop planted areas 2013

Crop	Global area 2013	Change %	Global production 2013 million tons	Change %
Wheat	219.72	1.7	706.38	7.8
Maize	177.06	0.5	962.83	11.6
Rice	160.33	1.8	473.18	0.9
Soybean	111.58	2.4	283.54	5.8
Rapeseed	35.26	(1.6)	67.92	8.0
Cotton	33.14	(3.5)	25.52	(4.8)
Sunflower	25.49	3.6	42.27	16.2

[Source: Agri Futura November 2013]

Crop price trend: Since 2005, there was a consistent increase in crop prices. During 2008, prices peaked due to stock reduction and speculation. During 2009, crop prices declined, but the underlying growth continued through to 2012. The averages for 2013 show a slight reduction over 2012, principally due to improved harvests and rising stocks. This depressed futures prices, more significantly in maize and soybeans than for wheat and rapeseed.

What influenced the crop protection market in 2013…

- Improving glyphosate prices
- Stronger US dollar against most major currencies
- Sustained crop commodity prices
- Latin America benefiting from high demand and better weather
- Record maize and soybean production in the US
- Poor autumn and spring planting seasons in Northern Europe.
- Improved growing conditions in Southern and Eastern European after a prolonged winter
- Further increase in GM crop area and adoption of stacked maize varieties.

Brazil, the key market for UPL

Brazil is the largest country in South America covering 47% of the South American continent. With a population of over 200 million people, it has the fifth largest population in the world. Since 2003, Brazil steadily increased its agricultural output to become the world's third largest agricultural exporter accounting for 9% of global exports.

Even though the order of Brazil's top- five export list remained unchanged across five years, the value of these grew significantly; exports more than doubled from 2007 to 2011. The country retained its position as one of the biggest exporters of soybean, sugar and coffee, among others.

Correspondingly, the market for Brazilian pesticides and other agro-chemical products grew 65% during 2007-2012, driven by an expanding agriculture industry. Local farmers invested considerably more on pesticides per hectare of arable land compared to countries like Mexico *[Source: Euromonitor].*

UPL strengthened its position in Brazil following the acquisition of DVA Agro Brazil, a key player in the Brazilian agrochemical market.

Overview and outlook: The outlook for 2014 is challenging, with crop prices and futures prices weakening following good 2013 harvests, particularly for maize and soybeans. Cotton and rice prices declined, reportedly due to a de-stocking in China and Thailand. Although weaker than in 2012, wheat and rapeseed prices were less depressed than other major crops, giving rise to some optimism for the European market. It is anticipated that maize acreages will rotate back into soybeans in the Americas in 2013-14, which could put increasing price pressure back into oilseeds markets during the year. On a global basis, demand for grains remained high, particularly in developing countries and in China where the 2013 harvest was depressed by flooding in the south. However, maize usage for ethanol is now essentially at maturity, hence that sector is less likely to absorb overproduction in the future.

Indian crop protection market

With increasing population, demand for food grains is increasing faster compared to production. Moreover, every year, a significant amount of crop yield is lost due to the non-usage of crop protection products.

Agrochemicals are used to improve crop performance, yield or control pests, among others. Agrochemicals are substances manufactured through chemical or biochemical processes containing the active ingredient in a definite concentration along with other materials which improve its performance and increase safety. For application, these are diluted with water in recommended doses and applied on seeds, soil, irrigation water and crops to prevent damage from pests.

The crop protection chemicals accounted for ~2% of the total chemicals market in India. India was the second largest manufacturer of pesticides in Asia, second only to Japan. The Indian pesticides industry grew at 8-9% per annum over five years (FY07-FY11). The industry size was estimated at US$3.8 billion (₹21,000 crore) in FY12 with exports accounting for 50% of the market. Over the 12th Five Year Plan, the segment is expected to grow 12-13% per annum to reach ~US$7 billion (₹39,000 crore) by FY17 with domestic demand growing at 8-9% per annum and export demand at 15-16% per annum.

The crop protection industry in India was generic in nature with ~80% of molecules non-patented. Hence, a strong distribution network and brand acted as competitive drivers.

Insecticides formed the largest segment of the domestic crop protection chemicals market, accounting for 65% of the total market. The market was mostly dependent on rice and cotton crops. Herbicides were the largest growing segment and accounted for 16% of the total crop protection chemicals market. Sales were seasonal, owing to the fact that weeds flourished in damp, warm weather and died in cold spells. Rice and wheat crops consumed the major share of herbicides. Increasing costs of farm labour will drive sales of herbicides going forward. Fungicides, accounting for 15% of the total crop protection market, were used for fruit and vegetables and rice. Farmers moved from cash crops to fruit and vegetables while government support for exports increased fungicides usage. Bio-pesticides included all biological materials organisms, which can be used to control pests. Currently a small segment, the bio-pesticides market is expected to grow owing to government support and increasing awareness about the use of non-toxic environment-friendly pesticides.

The CMD Mr. R.D.Shroff explaining to farmers importance of scientific crop protection

Consumption: Consumption of crop protection products in India was among the lowest in the world. Per capita consumption of crop protection products in India was 0.6 kg/ha compared to 13 kg/ha in China and 7 kg/ha in the US. Some of the reasons for low consumption in India were low farmer purchasing power, low awareness, limited reach and lower product accessibility. This presented an attractive opportunity for the crop protection industry.

Drivers of India's agrochemical sector

- Increasing food demand as the country accounts for around 16% of the global population.
- India has ~190 million hectares of gross cultivated area and the scope for bringing new areas under cultivation is limited. Arable land per capita is declining globally.
- India has low crop productivity compared to other countries. Average productivity in India was 2 MT/ha compared to 6 MT/ha in USA and a world average of 3 MT/ha. At the same time, India's pesticide consumption was a low 0.60 kg/ha compared to the world average of 3 kg/ha. Increased use of pesticides could help farmers enhance crop productivity.
- Buoyed by 50% growth experienced by the Indian floriculture industry in the last three years, the Government of India launched a National Horticulture Mission to double production by FY12. Growing horticulture and floriculture industries catalyse the demand for agrochemicals (especially fungicides).
- Indian companies expanded into other geographies, a growing trend.
- Ending 2014, a number of molecules are likely to go off patent throwing the market open for generic players. The total viable opportunity following patent expiry is estimated at over US$3 billion.
- Government initiatives to provide credit facilities to farmers will enrich the agriculture industry. Access to finance will encourage them to use more pesticides and improve crop yields.

UPL and its markets

India: India accounted for 21% of UPL's revenue in 2013-14, its oldest market. The Company enjoyed a 13% market share in India during the year under review and emerged its largest domestic player. Key brands comprises of Ulala, Phoskill, Starthene, Atabron, Disect, Lancer Gold, Ulala, Saaf, Saathi and Lagaam.

North America: North America accounted for 20% of UPL's revenue in 2013-14; the Company had a 2.3% share of the US market in 2013-14. Key brands comprised Manzate, Surflan, Blazer, Super Zin, Aquathol, Microthial, SurFlan, Asulam, Ultra Blazer and Tricor.

Europe: Europe contributed to 19% of the Company's revenue in 2013-14; the Company enjoyed 2.2% market share in Europe in 2013-14. UPL had four manufacturing units in France and was present through subsidiaries. Some successful UPL brands in Europe comprised Devrinol, Microthial, Penncozeb, Cuprofix, Metafol and Beet Up.

Latin America: Latin America was one of the largest markets for UPL; the market comprised 27% of the Company's revenue in 2013-14. The Company gained significance after its acquisition of DVA Agro in Brazil. UPL had a 2.7% share in the US$11.5 billion Brazilian market in FY14; the management is targeting high growth by pushing existing brands and aggressive marketing. Some successful brands of UPL in this region are Vondozeb, Manzate, Unized, Clorin, Zartan, Donado and Lancer Gold.

Rest of the world (RoW): The RoW markets contributed 14% of the Company's revenues in 2013-14. The RoW comprised markets like Australia, China, Japan and Indonesia among others. The key brands include Penncozeb, Kinalux, Asulam and Quickphos.

Linking production areas with the market could help in the easy distribution of pesticides. IT services could help enhance farmer awareness in the optimum use of crop protection chemicals.

The total value of crops lost due to non-use of pesticides was estimated annually at around ₹90,000 crore (FY12 estimates). Companies are increasingly training farmers regarding the right use of agrochemicals in terms of quantity, applications and appropriate chemicals. With increasing awareness, the use of agrochemicals is expected to increase.

Indian agriculture sector

India's economy is primarily agrarian; about 75% of the country's population depends on agriculture for its livelihood. An early and good monsoon had a huge positive impact on sowing activity in the last fiscal; agricultural GDP in the 2013-14 agri-year (July-June) was likely to grow 5.1% to 5.7%, almost three times higher than the previous agri-year. New records in production and trade were achieved. A case in point: horticulture production was likely to touch 269 million tons and perhaps for the first time surpass food grain production of 260 MT in 2013-14.

On the agri-trade front, India's exports in 2012-13 were worth $41 billion against agri-imports of $20 billion, generating a net trade surplus of $21 billion, a feat likely to be repeated. India is the largest exporter of rice, guar gum meal (used as a food additive in baking, dairy, meat and condiments industries) beef (buffalo meat) and the second-largest exporter of cotton. India exported 22 MT of cereals. India is likely to achieve the second highest food grain production at 129.32 MT this kharif season. The target of food grains production for the 2013-14 agri-year is estimated at 259 MT. The improvement could cap food inflation and boost economic growth (mere 4.4% in the first quarter of 2013-14).

The WPI inflation by March 2014 was around 5.5% as against the average of 7.4% in 2012-13 and 5.7% at March 2013. India's 'revealed comparative advantage', as measured by the Balassa Index, was 1.6 against that of manufacturing at 0.98, indicating clearly that Indian agriculture is more globally competitive than its manufacturing sector.

Outlook

The outlook for 2014 is optimistic, with crop prices remaining stable due to rising consumption and limited harvests in Europe and North America. Going ahead, the Indian agrochemicals sector is expected to grow at around 11.5% annually on average to reach US$6.5 billion by FY17.

Segment-wise performance

Agro activity: Accounted for 96% of the total sales of the Company. Increase/decrease in the turnover of the Company was mainly on account of increased/decreased demand from Indian and global markets.

Non-agro activity: This segment accounted for 4% of the Company's total sales.

Internal controls

The Company's operations are spread globally. The internal control system is commensurate with the size, scale and complexity of its operations. The Company's operations are ably supported by SAP - ERP system. The operations in different geographies need to adhere to their own legal compliances and regulatory framework. The in-house internal audit team plans the audit schedule of all plants, subsidiaries and depots.

The schedule is worked out on the basis of risk assessment to ensure that all the assets of the Company are protected against loss. It also ensures that the transactions are authorised and recorded in the books of the Company.

Apart from the in-house team, external professionals are engaged by the Company to ensure a compliance of all statutory regulations.

The Audit Committee of the Board is informed regularly about the significant findings of the internal audit regarding various locations and functions to help take effective steps to ensure compliance and good governance. The Audit Committee reviews the internal audit plan at the beginning of every year to ensure coverage of most of the functions and locations with a view to mitigate the risks. The periodic report prepared by internal audit team forms the basis of certification by the Managing Director and Chief Financial Officer for financial reporting as required under Clause 49 of the Listing Agreement.

The Company's operations involve compliance with environmental norms. The Company maintains a high degree of adherence with pollution control norms at all times.

Operational review

Overview

UPL manufactured best-in-class crop protection chemicals and industrial chemicals across 28 manufacturing locations spread across the globe. The Company's integrated facilities helped reduce external raw material dependence and ensured manufacturing excellence at a lower cost. The Company possessed the largest phosphorus manufacturing capacity in the world, validating UPL's emergence as one of the most profitable agrochemical companies in the world.

The Company selectively enhanced capacity to enter its next growth phase, analysing assets for effective utilisation and discarding non-performing assets. The Company's manufacturing units possessed flexible swing capacities to respond to changes in market demand.

The Company focused on enhancing core manufacturing competence, reinforcing its position as the most competitive in its sector. UPL strategically outsourced products from third party manufacturers matching the required price-value.

The Company created groups (Technology group, Maxpro group, Environment group and Green Care group) to enhance efficiency and productivity.

The Company's internal project management team facilitated the commissioning of projects in record time. UPL erected its UPH-203 plant in a record 83 days against the global benchmark of 240 days.

The Company invested in environmental management infrastructure across manufacturing units. UPL installed triple effect evaporators, effluent treatment plants, incinerators, hazardous gas leakage detection systems and alarms with the objective to minimise emissions compared with norms set by pollution control boards. The Company made a forward-looking investment in environment management assets.

The Company was the first in the industry to install a total organic content meter, which was later made a standard by the Gujarat Pollution Control Board. As a responsible measure, all the Company's plants were equipped with effluent treatment plants.

Highlights, 2013-14

- Introduced 18 (five technical and 13 formulations) new products
- Production volume increased by 12.7% over the last year
- Saved ₹160 crore in 2013 -14 through the various initiatives undertaken by the procedural improvement group. Starting in 2012-13, UPL saved a cumulative ₹280 crore (₹160 crore in 2013-14 and ₹120 crore in 2012-13)
- Invested ₹193 crore in building capacity for the manufacture of Carbon Disulphide, the key raw material for the manufacture of Mancozeb (largest product for the Company)
- Sourced raw materials cheaper through long-term contracts
- Enhanced utilisation and byproduct quality (better quality sodium sulphate) resulting in higher realisations, conversion of sodium sulphite to sodium bisulphite for end customer use and increased sales of acetic acid resulting in a lower formation of caustic soda
- Diversion of 60kL/day effluent from evaporation to ETP by converting into bio-degradable form, hence reducing steam consumption and CO_2 emission resulting in significant cost savings

Outlook

Going ahead, the Company expects to commission its 25-MW coal-fired power plant by 2014-15 and rationalise costs to enhance profits.

UPL installed triple effect evaporators, effluent treatment plants, incinerators, hazardous gas leakage detection systems and alarms with the objective to minimise emissions compared with norms set by pollution control boards. The Company made a forward-looking investment in environment management assets.

Marketing review

Innovation Index

UPL introduced the concept of an Innovation Index to measure the proportion of revenues from new launches. In 2014-15, the Company intends to launch 75 to 80 products globally. The Innovation Index is derived when the number of new products sold globally is divided by the total turnover (four years after their launch, the products are dropped out of the index). In several countries of UPL's presence, the Innovation Index was 8-10% with a projected target in three years of 17-20%, indicating that UPL can rejuvenate its product portfolio every five to six years.

Overview

UPL enjoys a leadership position in the Indian crop protection market (13% market share) and sales presence in over 120 countries. In such a scenario, the marketing initiatives of the Company assumed importance. It is by virtue of these initiatives that the Company effectively established a dialogue with end-users, understood their needs and helped the Company customise the right farmer solutions.

The Company's strong marketing exercises were backed by robust distribution. The Company has a large reach through a network of distributors and retailers in the countries of its presence.

The Company's marketing success revolved around a multi-farm lifecycle, multi-crop speciality and multi-country presence. The result was that UPL commissioned 50 marketing offices and subsidiaries; it enjoyed product registrations/product presence in 124 countries.

Highlights (India), 2013-14

- Indian revenues increased 26%
- Launched six products
- Increased the number of farmer meetings and product demonstrations

Highlights (Global), 2013-14

- Increased market share to 2.9% from 2.8% in 2012-13, subdued due to adverse foreign exchange impact
- International revenues increased 15% over 2012-13
- Launched 27 products
- Outperformed industry growth average in most international markets of presence
- Participated in some of the largest agricultural fairs in key markets like Brazil where the Company held regular product demonstrations four months in advance by growing crops and using relevant products to showcase their efficacy.

Outlook

Going ahead, the Company plans to launch 75 to 80 products in 2014-15, consolidating its global market position.

The Global CEO Mr. Jai R. Shroff and Global COO Mr. Sagar Kaushik identifying the problems of insects and pests in farms alongwith farmers and university professors

UPL team in Brazil

Finance review

Basis of preparation

The financial statements of the Company were prepared in accordance with generally accepted accounting principles (GAAP) in India. The financial statements were prepared in compliance with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 1956.The financial statements were prepared under the historical cost convention method on an accrual basis. The accounting policies were consistent with those used in the previous year

Financial highlights, 2013-14

Particulars	2013-14 (₹ lac)	2012-13 (₹ lac)	% growth
Total revenue	10,90,223	9,29,307	17
PBT	1,15,654	94,388	23
PAT	94,979	77,460	23
Cash profit	1,56,348	1,29,760	21
EPS (₹)	21.59	17.12	26

Analysis of the Profit & Loss Account

The Company's revenue from operations (net) increased by 17% from ₹9,18,570 lac in 2012-13 to ₹10,77,088 lac in 2013-14 largely owing to superior realisations and product introductions. Other income increased by nearly 22% from ₹10,737 lac in 2012-13 to ₹13,135 lac in 2013-14. Other income as a proportion of the total revenue from operations stood at 1%, reflecting the Company's focus on its core businesses.

Operating expenses for 2013-14 stood at ₹8,75,130 lac as against ₹7,53,129 lac in 2012-13, the 16% increase in operating expenses attributed to a scaling of the business, rising costs of raw materials, power, fuel and sub-contracting. Raw material expenses as a proportion of the total income stood at around 49.91%, which was similar to what it was during the previous year.

Owing to an increase in the cost of the raw materials and business scale-up, raw material expenditure increased by 16% to reach ₹5,44,080 lac in 2013-14 as against ₹4,68,736 lac in 2012-13. The proportion of raw material cost as a percentage of total expenditure cost stood at 62% in 2013-14 which was similar to what it was during the last financial year.

Employee benefits costs increased from ₹85,262 lac in 2012-13 to ₹94,687 lac in 2013-14, mainly owing to an increase in the number of employees and increased remuneration that needed to be paid to them.

The Company's other expenses for 2013-14 was ₹2,36,363 lac, rising by 19% from ₹1,99,131 lac in 2012-13. The increase was largely due to a rise in power and fuel expenses, processing charges, rates and taxes, advertisement and sales promotion expenses, traveling and conveyance expenses and royalty charges which rose by 24%, 19%, 29%, 74%, 28% and 90% respectively over the previous year.

Analysis of the Balance Sheet

Sources of funds

Particulars	2013-14 (₹ lac)	% of capital employed	2012-13 (₹ lac)	% of capital employed
Equity share capital	8,572	0.93	8,852	0.93
Reserves and surplus	516,170	56.02	455,670	47.89
Networth	524,742	56.95	464,522	48.82
Minority interest	17,207	1.87	23,423	2.46
Long-term borrowings	225,428	24.47	281,232	29.55
Deferred tax liabilities/assets	8,127	0.88	(1,305)	-0.14
Other long-term liabilities	31,088	3.37	39,454	4.15
Long-term provisions	5,298	0.57	5,140	0.54
Short-term borrowings	60,668	6.58	111,470	11.71
Current maturities of long-term borrowings	48,855	5.30	27,630	2.90
Capital employed	921,413	100.00	951,566	100.00

Capital employed

The total employed capital decreased marginally by 3% in 2013-14, largely due to a ~20% decline in borrowings. The decline in long-term borrowings was due to the buyback of non-convertible debentures. Return on capital employed increased from 14.8% in 2012-13 to 18.93% in 2013-14.

The decline in equity capital was the result of a buyback of 1,40,00,000 Equity Shares of ₹2 each for a total of ₹28,258 lac (excluding brokerage, taxes and other charges). The face value of the Equity Shares bought back amounted to ₹280 lac and this was adjusted against the share capital.
The balance amount of ₹27,978 lac and related expenses amounting to ₹143 lac were adjusted in securities premium. The buyback constituted 3.27% of the total number of Equity Shares of the Company as on 31st March 2014.

Networth: The Company's networth was pegged at ₹5,24,742 lac as on 31st March 2014, which increased by nearly 13% compared to the previous year's ₹4,64,522 lac as on 31st March 2013. The increase was due to a rise under the head of reserves and surplus. Networth as a proportion of capital employed increased from 48.82% in 2012-13 to 56.95% in 2013-14.

Equity share capital: The equity share capital declined by 3% to ₹8,572 lac as on 31st March 2014 from ₹8,852 lac as on 31st March 2013, mainly due to buyback of shares worth ₹280 lac from the open market during the financial year under review.

Reserves and surplus: Reserves and surplus increased from ₹4,55,670 lac as on 31st March 2013 to ₹5,16,170 lac as on 31st March 2014. As a proportion of capital employed on a y-o-y basis, reserves and surplus increased from the previous year's 47.89% to 56.02% in 2013-14 despite an adjustment of ₹27,978 lac on account of the share buyback.

The Company's revenue from operations (net) increased by 17% from ₹9,18,570 lac in 2012-13 to ₹10,77,088 lac in 2013-14 largely owing to superior realisations and product introductions

The net capital gearing ratio was 0.44 in 2013-14 against 0.57 in 2012-13, largely owing to a decline in the longterm borrowings along with increase of 13% in the reserves and surplus.

Loan funds

- The net capital gearing ratio was 0.44 in 2013-14 against 0.57 in 2012-13, largely owing to a decline in the long-term borrowings along with increase of 13% in the reserves and surplus. Long-term loan funds decreased by 20% from ₹2,81,232 lac as on 31st March 2013 to ₹2,25,428 lac as on 31st March 2014.
- Finance cost increased by 13% in 2013-14 from ₹42,896 lac in 2012-13 to ₹48,660 lac in 2013-14.

Application of funds

Gross block

The gross block of the Company increased by nearly 20% from ₹2,98,514 lac as on 31st March 2013 to ₹3,58,846 lac as on 31st March 2014, largely on account of new additions to plant and machinery.

Correspondingly, depreciation increased from ₹1,66,343 lac in 2012-13 to ₹1,96,542 lac in 2013-14. Return on gross block increased from 13.3% in 2012-13 to 14.5% in 2013-14. Capital work-in progress decreased by nearly 50% in 2013-14, standing at ₹12,283 lac as on 31st March 2014 compared to ₹24,509 lac as on 31st March 2013.

Investments

Non-current investments decreased by 1% from ₹74,145 lac as on 31st March 2013 to ₹73,728 lac as on 31st March 2014.

Working capital management

- Current assets as on 31st March 2014 stood at ₹7,56,088 lac compared to ₹7,43,749 lac as on 31st March 2013, marking an increase of only 2%. Current ratio was estimated at 1.63 as on 31st March 2014 against 1.77 on 31st March 2013 owing to a greater increase in current liabilities over current assets; cash ratio stood at 0.22 in 2013-14 while in 2012-13 it was 0.36.
- Inventories (finished and semi-finished goods along with raw materials) for 2012-13 increased by 20% from ₹2,06,870 lac as on 31st March 2013 to ₹2,48,007 lac as on 31st March 2014. The average inventory cycle for 2013-14 stood at 86 days of turnover equivalent compared to 84 days in 2012-13.
- Debtors as on 31st March 2014 stood at ₹3,20,846 lac against ₹2,68,499 lac as on 31st March 2013, increasing by 19%. The debtors' cycle increased to 118 days of turnover equivalent in 2013-14 from 111 days in 2012-13 largely owing to longer credit being offered in new markets.
- Current investments decreased by 100% standing at nil as on 31st March 2014 compared to ₹28,370 lac as on 31st March 2013, mainly on account of redemption of temporary investments.
- Due to a decline in loans and sundry deposits, short-term loans and advances fell by 3% from ₹77,930 lac as on 31st March 2013 to ₹75,946 lac as on 31st March 2014.
- Current liabilities increased by 11% from ₹4,19,832 lac as on 31st March 2013 to ₹4,64,015 lac as on 31st March 2014, mainly due to an increase in trade payables and other current liabilities. Trade payables increased from ₹2,09,945 lac in 2012-13 to ₹2,69,397 lac in 2013-14, a rise of 28%, whereas the other current liabilities increased by nearly 42%.

Cash and bank balances

The cash and bank balance decreased by 34% to stand at ₹1,02,278 lac as on 31st March 2014 compared to ₹1,54,823 lac as on 31st March 2013, largely due to the repayment of debts, capital expenditure and working capital requirements.

Corporate Social Responsibility

At UPL Limited, concern for the community has always been an integral part of all our endeavours. Our Corporate Social Responsibility (CSR) vision is to enable the community to become an active partner towards building a self-reliant society. The history of UPL's CSR harks back as 1969 with the inception of its Vapi facility. From running schools, colleges and hospitals to waste management. From conducting farmers' training programmes to running farmers' field schools. All of UPL's efforts are in line with community needs.

A. CSR vision

"Enabling the community to become an active partner towards building a self-reliant society"

B. CSR mission

- To implement need-based CSR projects and extension work
- To build the capacity of the community so as to make them self-reliant
- To develop partnerships with all stakeholders
- To promote and institutionalise CSR activities within the UPL Group

C. CSR values

1) Care
2) Excellence
3) Partnership
4) Sustainability
5) Learning and sharing

D. Key elements of CSR VMV are:

- Engaging and enabling all CSR stakeholders
- Ensuring sustainable and holistic development
- Establishing strategic and collaborative partnerships
- Creating shared value by integrating CSR activities with overall business strategy
- Transferring of knowledge

E. The 5E CSR process

F. Framework for delivery of UPL CSR strategy:

UPL's current CSR activities can be divided into six thematic focus areas including:

1 Agricultural development

Agriculture is one of the most important sectors of the Indian economy. The framework of UPL's agricultural development activities focus on three crucial aspects: a) Capacity building, b) Lab-to-land, c) Technology intervention

UPL-AKRSP SRI Project
System of Rice Intensification (SRI) is a crop cultivation methodology in which all the agronomic principles related to crop production are implemented in collaboration with AKRSP. In FY2012-13 the project was implemented with 270 farmers across five villages of the Dang district. UPL aims bring in 1,100 farmers under the ambit of SRI over the next two years to enhance paddy productivity in the Dang district.

Dang Paddy Development Project:
Under the Dang Paddy Development Project, UPL is using the twin approach of demonstration and capacity building to enhance food availability and consequently incomes of small and marginal farmers.

Farmers Training School @ Vikram Farm
Farming is best learned hands-on and at UPL we do that at the Farmers' Training School (FTS) at Vikram Farm, Naholi.

2 Employability and entrepreneurship

Small-scale industries catalyse rural economies through employment. UPL is building capacity through its entrepreneurship training programme so that individuals can take up jobs.

UPL UDYAMITA training to Jai Yogeshwar Mahila Mandal
Under the aegis of employability and entrepreneurship, UPL has formed the self-help group (Jai Yogeshwar Mahila Mandal) to build the capacity of tribal women via an entrepreneurial skill development programme on artificial jewelry-making.

Partnership with Sewa Rural
Sewa Rural is a voluntary development organisation involved in health and development activities in rural tribal areas of South Gujarat at Jhagadia since 1980. UPL helps rural women earn them a livelihood by giving them orders for stitching and supply of boiler suits and poppadoms at subsidised rates which are used in the unit canteens.

3 Education and empowerment

Education is a basic human right pivotal to personal and societal development and an integral part of our CSR agenda.

Educational support by Unit 1
Unit 1 works with five government-run primary schools in the surrounding villages of the plant. We provided need-based educational items to needy children viz. note book, school uniforms, sweater, shoes, socks and Sholapur sheets to 600 children during FY 2013-14.

Particpation at BalRamotshaw:
To encourage sports and recreation activities in the schools, the WAU volunteers participated with seven schools from six villages of Mandava cluster under Ankleshwar taluka. As a CSR commitment of Unit 1 (Ankleshwar), Sport Track Suit (with UPL and WAU logos) was given to 52 best students in recognition of their achievements.

Educational support initiative by Unit 2
As a part of the School Chale Hum initiative, UPL provided need-based educational items like stationery kits, examination kits along with school bags and black boards benefitting around 40 children. During the summers and monsoons the schoolchildren, were provided with umbrellas and during winters, blankets and mats were provided.

Educational support initiative by Unit 4
Unit 4 is working with three primary schools in the surrounding villages to improve the quality of education. In year 2013-14 around 350 needy children got benefitted from the said initiative.

Educational support by Unit 5 (Jhagadia)
In line with the last mile financing approach, Unit 5 has selected three villages namely Dadheda, Fulvadi and Sardarpurato and provided non-financial educational aid to around 605 schoolchildren from standards I to VII during FY2013-14.

Educational support by Unit 8 (Samba)
Unit 8 organised a drawing and painting competition at the Government High School Nanak Chak Samba on the occasion of National Pollution Control Day (2nd December 2013).

Infrastructural support
Infrastructural support was provided to the Government High School, Nanak Chak including repairing and painting of the entire school building, improving lighting and ventilation and making the interiors more educational-friendly

Educational support by Unit 9 (Haldia)
The UPL Haldia team visited Ramakrishna Mission Ashram (RMA) to present clothes to all the resident children.

The team also visited the Patikhali Vidyasagar Primary School (near our factory) and repaired a damaged school shed.

Last mile financing support (For school infrastructure)
In line with the last mile financing approach, a gate was provided to the school at Naugama, Ankleshwar.

4 Environmental conservation

UPL worked towards environmental conservation via a cleanliness drive and formation of eco-clubs in schools to raise awareness regarding environmental issues across all sectors of the local community.

UPL Vasudha Project
UPL started the Vasudha Project across 20 schools to encourage students to take up meaningful environmental activities and projects and consequently reach out to their parents and neighbourhood communities.

Cleanliness drive at Chirri
UPL organised a sanitation campaign at Chhiri with the core objective of providing an eco-friendly environment which would enable them to lead safe and healthy lives. Following initiatives were taken to help the community:

Afforestation
The teams at various manufacturing units initiated an afforestation drive and planted a number of saplings during the year under review.

Tree guard
Tree guards were placed to protect the plants.

5 Health and sanitation

UPL believes that adequate healthcare facilities must reach out to everyone in the surrounding community consequently UPL is working on providing better healthcare facilities through health programmes around the plant locations.

General health camp at Vapi
To provide healthcare facilities in surrounding villages i.e. Valvada and Cherri, UPL organised two general health camps covering areas like general health, eye and dental care were organised in association with the Haria L.G. Rotary Hospital, Vapi.

The other units also organised health camps where many patients were benefited.

Tricycle distribution to the differently-abled by Unit 4
Tricycles were provided to the differently-abled so that they could pursue active and independent lifestyles.

Blood donation camp by Unit 5
Blood donation camps were organised in collaboration with blood banks where many persons donated blood voluntarily at the camp, which included UPL employees as well as contractual employees.

6 National/local area needs

In FY2013-14 UPL provided relief materials during floods at Vadodara, Bharuch and Odisha. This year UPL also worked on specific local area needs around the plants.

UPL girl safety training campaign

The WAU team from UPL and Suraksha Foundation jointly organised a girl's safety training programme in surrounding villages of Vapi and Ankleshwar. The girl's safety training programme created awareness among schoolchildren to safeguard the girl child against any kind of exploitation and sexual harassment.

UPL ITI safety training campaign
This was started with an objective to create awareness among ITI students on occupational health and safety measures especially in the chemical industry. In FY2013-14 five training drils were organised overseen by WAU volunteers at the Occupational Health & Safety at Industrial Training Institute, Bhilad and Pardi.

UPL safe kite flying campaign
Recognising the importance of safe kite flying, the WAU team at Ankleshwar and Jhagadia formulated a training programme for primary and middle school students.

Risk management

Industry risk

Demand fluctuations and an industry downturn.

Mitigation

There are a number of mitigation factors which are encapsulated below:

- The global population is around 7 billion and growing at 1.14% annually, whereas land availability is not rising, strengthening food demand and a consequently rising use of agrochemicals.
- Currently 10-16% of global crop production is lost due to pests, which makes crop protection necessary
- The Company possesses a varied product range with diverse applications
- The Company strengthened its supply chain, pricing and product mix is facilitated by a relatively flat management structure, porous cross-functions and seamless communication

Competition risk

A competitive market could reduce yields.

Mitigation

A number of mitigation factors which are encapsulated below:

- UPL has a large product portfolio comprising around 50 molecules and 5,500 SKUs of different products.
- The Company is one of the most profitable in the global generics agrochemicals space

Raw material risk

Weak access to low-cost raw materials could impact feasibility

Mitigation

The relevant mitigation factors are encapsulated below:

- The Company has captive phosphorous, chlorakali 100% and power generation 63% facilities, addressing most of its input requirements
- Backward integration accounted for 30% of Company's raw material consumption
- Raw material costs from vendors were evaluated by a procurement team. The Company created a multiple vendor database to ensure back-up supply.
- The Company chose to procure raw materials through long-term contracts to reduce its exposure to price volatility in the spot market

Funding risk

Inability in mobilising adequate funds could affect growth.

Mitigation

Some mitigation initiatives are encapsulated below:

- The Company possessed a cash balance of ₹1,023 crore (as on 31st March, 2014).
- The Company enjoyed a modest net debt-equity ratio of 0.44 (as on 31st March, 2014), reflecting its capability to attract debt
- UPL enjoyed an interest coverage ratio of 7.19 (2013-14), reflecting adequate fiscal comfort.

Geographical risk

Excessive dependence on one geographic region could impact revenues in the event of a localised downturn.

Mitigation

Some mitigation factors are encapsulated below:

- UPL has a worldwide presence in 124 countries, reducing its dependence on any one country.
- Impact of seasonal variations were largely neutralised as no country accounted for more than 21% of the total revenues.
- The Company was present in all the major global agricultural markets

R&D risk

Constant innovation is required to rejuvenate revenues and counter competition

Mitigation

Some relevant mitigation factors are encapsulated alongside:

- UPL's 113-member R&D (global) team catalysed continuous product and procedural development

Receivables risk

A high receivables cycle could increase the outflow of working capital that could potentially affect viability.

Mitigation

A number of mitigation factors are encapsulated below:

- The Company's receivables cycle stood at 118 days of turnover equivalent in 2013-14. The Company has consistently mitigated this risk by going for credit insurance cover in all the geographies.
- The Company monitored receivables due for more than six months and focused on continuous follow up, helping generate cash faster.

Regulatory risk

The agrochemical industry is highly regulated worldwide; hence changes in government policy could require fresh compliances.

Mitigation

A number of mitigation factors are encapsulated below:

- The Company employed local professionals to study regulatory changes and also has a 40-member dedicated team consisting of experienced and knowledgeable senior management officials to study global registration requirements.
- The Company possessed more than 3,500 registrations globally (including India)

Foreign currency exchange risk

Fluctuations in the foreign currency could hamper profits

Mitigation

A number of mitigation factors are encapsulated below:

- UPL deployed adequate forex forward cover.
- Exports served as a natural hedge against imports; products were manufactured in various international locations.
- In countries where subsidiaries were present, the Company selected local currencies to enter into transactions.

UPL LIMITED

(Formerly known as United Phosphorus Limited)

NOTICE

NOTICE is hereby given that **30th ANNUAL GENERAL MEETING** of the Members of **UPL LIMITED** will be held on Friday, 22nd August, 2014 at 9.00 a. m. at Hotel Green View Hall, National Highway No. 8, G.I.D.C., Vapi - 396 195, to transact the following business:

Ordinary Business

1. To consider and adopt the audited Balance Sheet as at 31st March, 2014, Statement of Profit and Loss Account and Cash Flow Statement 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. Jaidev Rajnikant Shroff (DIN: 00191050), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mrs. Sandra Rajnikant Shroff (DIN: 00189012), who retires by rotation and being eligible, offers herself for re-appointment.

5. **To appoint Auditors and fix their remuneration**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of section 139, 140 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, in place of M/s. S.V. Ghatalia and Associates LLP, the retiring auditors, who have express their inability to continue, Messrs. S R B C & CO LLP (ICAI Firm Registration No. 324982E), Chartered Accountants, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, and in respect of whom the Company has received a special notice from a Member, pursuant to the provisions of Section 115 read with Section 140 of the Companies Act, 2013, signifying its intention to propose the appointment of Messrs. S R B C & CO LLP as Auditors, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

Special Business

6. **To appoint Mr. Pradeep Vedprakash Goyal (DIN: 00008370) as an Independent Director of the Company**

   To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, Mr. Pradeep Vedprakash Goyal (DIN: 00008370), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

7. **To appoint Dr. Venkata Krishna Kameshwarrao Palavajjhala (DIN: 00192991) as an Independent Director of the Company**

   To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, Dr. Venkata Krishna Kameshwarrao Palavajjhala (DIN: 00192991), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

8. **To appoint Dr. Reena Ramachandran (DIN: 00212371) as an Independent Director of the Company**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, Dr. Reena Ramachandran (DIN: 00212371), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

9. **To appoint Mr. Pradip Pranjivan Madhavji (DIN: 00549826) as an Independent Director of the Company**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, Mr. Pradip Pranjivan Madhavji (DIN:00549826), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

10. **To appoint Mr. Vinod Rajindranath Sethi (DIN: 00106598) as an Independent Director of the Company**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, with Stock Exchanges where the shares of the Company are listed, Mr. Vinod Rajindranath Sethi (DIN: 00106598), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

11. **To appoint Mr. Suresh Prabhakar Prabhu (DIN: 00308142) as an Independent Director of the Company**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, Mr. Suresh Prabhakar Prabhu (DIN:00308142), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019."

12. **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section

148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. RA & Co., (Firm Registration No. 000242), Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year ending March 31, 2015, be paid the remuneration amounting to ₹5,00,000/- (Rupees Five Lacs Only) excluding out of pocket expenses if any;

RESOLVED FURTHER THAT Directors of the Company and/or the Company Secretary, be and are hereby severally authorised to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013."

13. **To increase the limit for investment by Foreign Institutional Investors (FIIs)**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Companies Act, 2013 and all other applicable rules, regulations, guidelines and laws (including any statutory modification or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors (hereinafter referred to as "the Board"), of the Company and/or a duly Authorised Committee thereof for the time being exercising the powers conferred by the Board, the consent of the shareholders be and is hereby accorded for investment by Foreign Institutional Investors including their sub-accounts (hereinafter referred to as the "FIIs"), in the shares or debentures convertible into shares of the Company, by purchase or acquisition from the market under the Portfolio Investment Scheme under FEMA, subject to the condition that the total holding of all FIIs put together shall not exceed 74% of the paid-up equity share capital or paid-up value of the respective series of the convertible debentures of the Company as may be applicable or such other maximum limit as may be prescribed from time to time.

RESOLVED FURTHER THAT Directors of the Company and/or the Company Secretary, be and are hereby severally authorised to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013."

14. **To increase the limit for borrowing by the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ("Board") for borrowing from time to time any sum or sums of moneys which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board, shall not at any time exceed the limit of ₹10,000 crores (Rupees Ten thousand crores only)."

RESOLVED FURTHER THAT Directors of the Company and/or Company Secretary, be and are hereby severally authorised to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013."

15. **To authorise the Board of Directors of the Company to mortgage and/or charge on all or any of the moveable and/or immoveable properties of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company, and subject to the approval, consent, permission and/or sanction, as may be required from the Reserve Bank of India (RBI), financial institutions, and any other appropriate authority, institution or body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, the consent of the shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board"), to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immoveable properties of the Company, both present and future and/or whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly Convertible Debentures and/or Non Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments) issued/to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/ Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/ fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/ Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s), in respect of the said loans/ borrowings/ debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board or Committee thereof and the Lender(s)/Agent(s)/Trustee(s);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee and/or the Company Secretary, be and are hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

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.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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 30th 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, 9th August, 2014 to Friday, 22nd August, 2014 (both days inclusive).

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 : UPL 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 28th August , 2014 to the Members whose names stand in the Company's Register of Members on 22nd August, 2014 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. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, as amended-

   (a) Dividend for the year 1996-97 and 2006-07 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 / Interim Dividend for the years 2007-08 to 2012-13 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.

   Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 19th July, 2013, being the date of last Annual General Meeting, on the website of the Company i.e. www.uplonline.com and also on the website of the Ministry of Corporate Affairs.

10. In compliance with the provisions of section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to cast their votes at the 30th AGM by electronic means, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice as per instructions below:

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

   i. Open the e-mail and also open PDF file namely "UPL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

   ii. Open the internet browser and type the following URL: https://www.evoting.nsdl.com.

   iii. Click on Shareholder – Login.

   iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

   v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.

   vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.

   vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.

   viii. Select "EVEN" (E-Voting Event Number) of UPL Limited which is 100523. Now you are ready for e-voting as Cast Vote page opens.

   ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

   x. Upon confirmation, the message "Vote cast successfully" will be displayed.

   xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.

   xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail to upl.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.

   xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. For Members whose email addresses are not registered with the Company/Depositories:

   i. E-Voting Particulars i.e. EVEN (E-Voting Event Number), user ID and password is provided in the attached E-Voting Particulars Slip at the bottom of Attendance Slip.

   ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

   i. The e-voting period commences on Saturday, August 16, 2014 (9.00 a.m. IST) and ends on Monday, August 18, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on July 18, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on July 18, 2014.

iii. Mr. Jawahar Thacker, Chartered Accountant (Membership No. FCA 30646), has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

iv. The Scrutiniser shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

v. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.uplonline.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Thirtieth Annual General Meeting of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

10. A brief profile and other details of Directors being re-appointed as required under Clause 49(VI) of the listing agreement with the Stock Exchanges:

Name of the Director	Jaidev Rajnikant Shroff
Director Identification Number	00191050
Date of joining the Board	1st October, 1992
Profile of the Director	Mr. Jaidev Rajnikant Shroff is a science graduate. He is Global CEO of the Group and he has worked with the Group for more than 21 years. He has substantial experience in various areas of the Group's operations.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. Uniphos Enterprises Ltd. 2. Nivi Trading Ltd. 3. Ventura Guaranty Ltd. 4. Advanta Ltd., Member–Shareholders /Investors Grievance Committee 5. Tatva Global Environment Ltd. 6. Tatva Global Environment (Deonar) Ltd. 7. Pradeep Metals Ltd.

Name of the Director	Sandra Rajnikant Shroff
Director Identification Number	00189012
Date of joining the Board	1st October, 1992
Profile of the Director	Mrs. Sandra Rajnikant Shroff 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.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. Uniphos Enterprises Ltd. 2. Uniphos International Ltd. 3. Enviro Technology Ltd. 4. Nivi Trading Ltd. 5. Shroff United Chemicals Ltd. 6. Bharuch Enviro Infrastructure Ltd. 7. Vapi Waste and Effluent Management Co. Ltd. 8. Ventura Guaranty Ltd.

Name of the Director	Pradeep Vedprakash Goyal
Director Identification Number	00008370
Date of joining the Board	29th March, 2001
Profile of the Director	Mr. Pradeep Vedprakash Goyal 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.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. Uniphos Enerprises Ltd., Chairman – Audit Committee and Shareholders /Investors Grievance Committee 2. Hind Rectifiers Ltd., Member – Audit Committee and Shareholders /Investors Grievance Committee 3. Jankalyan Sahakari Bank Ltd.

Name of the Director	Venkata Krishna Kameshwarrao Palavajjhala
Director Identification Number	00192991
Date of joining the Board	31st January, 2002
Profile of the Director	Dr. Venkata Krishna Kameshwarrao Palavajjhala 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 specialisation in chemicals and petrochemicals. He has over 43 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.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. Suvikas People's Co-operative Bank Ltd.

Name of the Director	Reena Ramachandran
Director Identification Number	00212371
Date of joining the Board	21st October, 2003
Profile of the Director	Dr. Reena Ramachandran is the Director General of Fortune Institute of Internationals Business, which is approved by the Ministry of HRD, Govt. of India. She has been member of various associations and institutions relating to education. Presently, she is also a member of the Expert Committee appointed by the Ministry of HRD to device Policy Perspectives for Management Education. She was also associated with various committees appointed by various Ministries of Government of India. She has done her Doctorate in Chemistry from University of Allahabad and Doctorate in Science (chemistry) in France. She has varied professional experience of over 41 years in Textile, Drug, Cement, Petroleum and Petro Chemical Industry.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	Nil

Name of the Director	Pradip Pranjivan Madhavji
Director Identification Number	00549826
Date of joining the Board	29th January, 2004
Profile of the Director	Mr. Pradip Pranjivan Madhavji is a Commerce and Law Graduate. He has more than 50 years of experience in the fields of finance and administration. Formerly he was chief of Thomas Cook India Ltd. Apart from this, he is Hon. Consul of Colombia and he was also Hon. Consul of New Zealand and also holds positions in various trade bodies. Prior to joining Thomas Cook, he was in Dena Bank for 18 years.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. IDFC Assets Management Co. Ltd., Chairman – Audit Committee and Shareholders / Investors Grievance Committee 2. India Gelatine & Chemicals Ltd.

Name of the Director	Vinod Rajindranath Sethi
Director Identification Number	00106598
Date of joining the Board	30th January, 2006
Profile of the Director	Mr. Vinod Rajindranath Sethi is a Chemical Engineer from IIT, Mumbai and Master in Business Administration from IIM, Ahmedabad. Presently, he runs his own private investment bank. He was previously with Morgan Stanley. He has many years of experience in the field of finance.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. K C P Sugar and Industries Ltd. 1. Advanta Ltd., Chairman – Audit Committee and Shareholders /Investors Grievance Committee 2. Itz cash card Ltd. 3. IRB Infrastructure Ltd.

Name of the Director	Suresh Prabhakar Prabhu
Director Identification Number	00308142
Date of joining the Board	29th January, 2013
Profile of the Director	Mr. Suresh Prabhakar Prabhu is an eminent Chartered Accountant. He has been a Member of Parliament in the 11th, 12th, 13th and 14th Lok Sabha (from 1996-2009) and was a Cabinet Minister of Industry, Energy, Environment and Forests, Chemicals and Fertilisers, Heavy Industry & Public Enterprises. Mr. Suresh Prabhakar Prabhu is a well-known personality and has many years of experience in the field of Sustainable development, Banking & finance and International business. He has participated and also addressed at many invents and forums in India and abroad. He is a member of many reputed associations representing business, sports, education and social works.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	1. Crompton Greaves Limited.

*Directorships and Committee memberships in UPL Limited and its Committees are not included in the aforesaid disclosure. Also, directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Shareholders / Investors Grievance Committees of only public Companies have been included in the aforesaid table.

Mumbai: 25th April, 2014

By Order of the Board of Directors
For **UPL LIMITED**

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

M. B. TRIVEDI
Company Secretary
CIN: L24219GJ1985PLC025132

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

The Explanatory Statement for Item Nos. 6 to 15 of the accompanying Notice set out hereinabove is as under:

Item Nos. 6 to 11

Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed, inter alia stipulating the conditions for the appointment of Independent Directors by a listed company.

It is proposed to appoint Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of each of Directors for the office of Directors of the Company.

The Company has also received declarations from these Directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed.

In the opinion of the Board, these Directors fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed. These Directors are independent of the management. The Board believes that in view of their long and varied experience, association of these Independent Directors will be beneficial for the Company.

Copy of the draft letters for respective appointments of Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges, where the share of the Company are listed. Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu are interested in the resolutions set out respectively at Item Nos. 6 to 11 of the Notice with regard to their respective appointments.

The relatives of Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu may be deemed to be interested in the resolutions set out respectively at Item Nos. 6 to 11 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 6 to 11 of the Notice for approval by the shareholders.

Item No. 12

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/S. RA & Co., the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 12 of the Notice for approval by the shareholders.

Item No. 13

The Board of Directors of the Company at its meeting held on April 25, 2014, inter alia, approved, subject to the approval of the Members by way of a special resolution, to enhance the said FIIs investment limit to 74% of the paid- up Equity Capital or paid-up value of the respective series of the convertible Debentures of the Company. At present, FIIs holding in the Company has almost been 48%. Hence, the limit of FIIs investment needs to be increased. The increase in the FII limit to 74% will be beneficial to the Company.

The resolution at Item No. 13 will enable the FIIs, who are considered to be prudent investors to acquire shares of the Company through Authorised Dealers within the revised ceiling under the Portfolio Investment Scheme of the Reserve Bank of India.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested in the resolution.

The Board commends the Special Resolutions set out at Item No. 13 of the Notice for approval by the shareholders.

Item No.14:

Under Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow money except with the consent of the shareholders, where the money to be borrowed, together with the money already borrowed by the Company is in excess of the aggregate of its paid-up share capital and free reserves of the Company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

The Ministry of Corporate Affairs, vide General Circular No. 04/2014 dated 25th March, 2014, has clarified that the resolution passed under section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180 of the Companies Act, 2013.

In view of the above, it is proposed that the borrowing limit of ₹10,000 crores, as approved by the members at the Extra-ordinary General Meeting of the members of the Company held on 11th October, 2007, be renewed to comply with the requirements of section 180 of the Companies Act, 2013. Hence, the Resolution is proposed.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested in the resolution.

The Board commends the Special Resolutions set out at Item No. 14 of the Notice for approval by the shareholders.

Item No.15

It will be observed from the resolution No.14 that the Company has proposed the resolution under Section 180(1)(c) of the Companies Act, 2013, to borrow money by way of term loan either in foreign currency or rupee currency or by issue of securities (comprising fully or partly convertible and or non-convertible debentures) with or without warrant or secured promissory notes or any other debt instruments.

The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors of a company shall not, without the consent of the members of the Company, to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. The Members are requested to empower the Board with the requisite authority under Section 180(1)(a) of the Companies Act, 2013 to provide any security to the lender in connection with the above financing arrangement with them.

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the Lender(s), with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013. Hence, it is necessary for the members to pass a resolution under the said Section.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives, are in any way, concerned or interested in the resolution.

The Board commends the Special Resolutions set out at Item No. 15 of the Notice for approval by the shareholders.

By Order of the Board of Directors
For UPL LIMITED

Mumbai: 25th April, 2014

M. B. TRIVEDI
Company Secretary

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

CIN: L24219GJ1985PLC025132

Directors Report

To,
The members of
UPL Limited

Your Directors have pleasure in presenting their report and audited accounts for the year ended on 31st March, 2014.

Financial Results

(₹ In lacs)

	Consolidated		Standalone	
	Current Year	Previous Year	Current Year	Previous Year
Total Revenue	1090223	929307	528611	406909
Earnings before interest, tax, depreciation, amortisation, exceptionals, prior period adjustments and minority interest	215093	176178	98474	55630
Depreciation/amortisation	40694	35372	16909	15776
Interest	48660	42896	24329	10132
Exceptional items	8530	1504	1986	-
Prior period adjustments	1555	2018	-	-
Minority interest	715	(156)	-	-
Profit before tax	114939	94544	55250	29722
Provision for taxation				
Current tax	12012	22134	11591	7930
MAT credit entitlements	(558)	–	(558)	–
Deferred tax	10490	(1733)	2644	940
Tax effect of earlier year	225	(84)	–	39
	22169	20317	13677	8909
Profit after tax	92770	74227	41573	20813
Profit / (Loss) from associates	2209	3233	–	–
Net profit for the year	94979	77460	41573	20813

Change of Name of the Company

During the year the name of the Company has been changed from 'United Phosphorus Limited' to 'UPL Limited' vide Special Resolution passed at the Extra-ordinary General Meeting of the members of the Company held on 30th September, 2013 and consequently Fresh Certificate of Incorporation dated 11th October, 2013 has been issued by the Registrar of Companies, Gujarat.

Operational Performance

During the year, there was significant improvement in business conditions due to bountiful and widespread monsoon. In the initial part of the year the crop prices remained stronger. However due to good harvests, the prices softened subsequently. There was a very strong volume growth in all the regions. In India, higher yields were expected from Rice, Cotton, Wheat, Pulses, Potato etc. The Company launched two new products, namely Ulala and Atabron which performed very well. The Company continues to focus on some of the power brands such as Lancer Gold, Starthene Power, Saathi, Saaf and Phoskill. Due to favourable monsoon, the Company was in a position to offset part of the increase in the costs of inputs to the customers.

On the global front, the Latin American market, including Brazil, improved significantly. Brazil continued to be on strong growth curve with additional cultivation area for Soyabean. In other countries also, Soyabean and cotton cultivation areas increased due to higher commodity prices. In Europe, there were prolonged winters and late spring, adversely affecting sale of herbicides. The sale of fungicides increased. Some CIS countries like Ukraine is facing political crisis resulting into disruption of business in these areas. Australia witnessed third continuous year of drought. However, the conditions seem to be improving now. The Company is also making inroads into

African markets. Once it gets more registrations, the Company will get higher access to these markets. In North America, the market was significantly impacted due to late spring and drought in western region. The herbicide sales have improved, especially, for rice crops. The Company has introduced Metribuzin, a herbicide with great potential in US market.

US Dollar appreciated against various currencies. Even Euro and pound sterling appreciated. Currencies of some of the countries like Brazil depreciated.

It is indeed a significant achievement for the Company as it crossed magical figure of ₹10,000 Crores of global sales, during the year. The management wants to express and share their happiness with all the stake holders of the Company. It is also significant to note that the sales are balanced over different regions of the world equitably. This ensures that there is no over dependence on any particular region for sales.

The year has ended on a highly satisfactory note. Some of the highlights of global performance are as under:

a) Revenue from operations have increased by 17% to ₹10902 crores.

b) EBIDTA has gone up to 22%

c) Profit before taxes has gone up by 23% to ₹1157 Crores

d) Profit for the year has gone up by 23% to ₹950 Crores

Future Outlook

In the coming years, the Company expects to improve its performance in various geographies of the world. These will include markets of USA, Europe, Latin America, Asian countries etc. The Company is also focusing to make inroads into vast African markets. The countries which have tremendous potential for Company's products are India and Brazil. The Company expects to increase its sales manifold in these countries. With introduction of many new products in the market every year, the Company expects to improve its performance in future as well. Overall, the Company expects a very bright future.

Dividend

Your Directors have recommended dividend of 200% i.e. ₹4 per Equity Share of ₹2 each for the financial year ended 31st March, 2014, 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 22nd August, 2014 and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited.

Finance

The Company is now focused to reduce its debts and improve its cash flow. During the year, no fresh borrowings have been made. This has resulted in reduction in the interest cost for the Company.

Buy Back

During the year, the Company successfully completed the buy-back program on 3rd February, 2014 by buying back 1,40,00,000 equity shares of ₹2 each at an average rate of ₹202.29 per equity share aggregating to ₹283.21 crores. Consequently, the paid-up share capital has gone down by ₹2.80 crores.

Fixed Deposits

The Company has not accepted fixed deposits during the year. There are no fixed deposits outstanding as at 31st March, 2014.

Acquisitions/ Disinvestment

- During the year, the Company, through its step down wholly owned subsidiary has acquired further shares out of the fresh issue of shares issued by UPL do Brasil and accordingly increased its stake in UPL do Brasil from 51% to 73%. The balance 27% are held by other existing shareholders.

  UPL do Brasil is engaged in the production, marketing, selling and distribution of crop protection products and specialties in the Brazilian agrochemicals market. It has a formulation plant in Brazil with expansion plans currently under execution to build capabilities in different crop protection product categories.

- The Company through its overseas subsidiary has entered into an agreement with an Italian company Sipcam S.p.A (Sipcam), to sell its entire stake of 50% in the Brazilian agrochemical company Sipcam UPL Brasil S.A, subject to fulfillment of certain conditions and approvals. The gross consideration amount of the transaction is US$58.50 million (Approximately INR 3.51 billion). Sipcam is the current 50% joint venture partner with UPL in Sipcam UPL Brasil S.A. This will be the first major divestment by UPL and the entire process is expected to be completed by June 2014, subject to necessary approvals.

  This divestment will release the funds to the Company which will be available for new opportunities and meet growing business requirements. It will also help UPL to have more focused approach for Brazilian agrochemical market which is one of the largest agrochemicals market in the world.

Research and Development

The Company has reinforced its Research and Development laboratories with the state of the art equipment and instruments. R&D laboratories at Ankleshwar, Thane and Vapi are continuously working for development of new active and formulation products, improvement of existing product/ processes and providing support for regulatory approvals.

The development of innovative processes for off - patent actives is the focus area for the R&D. The principles of green chemistry are kept in mind while developing the processes. The selection of the synthesis route is such that it does not produce wastes or produces very low wastes. Wherever feasible, by-products are recovered from wastes to reduce the load on effluents. The processes also take into account the safety at all operational stages. The health, safety and environment (HSE) are integral part of development and technology transfer package (TTP).

The improvement of processes for existing actives is another area where R&D is continuously working. This has helped company to improve the quality of products, cost and effluent reduction. In many cases, R&D work has also resulted in the batch cycle time reduction thereby production capacity enhancement.

The Company has been focusing on introduction of newer and safer formulations. Wherever possible the petroleum based solvents are replaced by biodegradable and safer solvent. More new formulation types are being developed which are either dustless solids or water based suspensions /emulsions. The performance of the actives is also enhanced by use of certain adjuvants or high performance surfactant systems.

R&D has also been working on many combination formulations for control of broad spectrum of pests.

The introduction of pesticide products are controlled by regulatory approvals world-wide. This requires generation of various data like chemical composition and physico-chemical properties, toxicity, bio-efficacy, residues and packaging data. R&D is supporting in these areas for the regulatory approvals.

Subsidiary Companies / Associate Companies

In pursuance of Circular no. 2/2011 dated 8th January, 2011 issued by Ministry of Corporate Affairs, the Company has attached its consolidated financial statements and that of its subsidiaries. The same is prepared in compliance with the relevant Accounting Standards, viz., AS-21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India.

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.

During the year, all the operating subsidiaries have performed very well. There have been rapid progress in the companies acquired in the recent past, such as Cerexagri, Agchem, Riceco, UPL do Brasil, etc. The detailed information about the performance of each subsidiary is provided in Note 39 of the Consolidated financial statements of the Company. The members will be happy to note that most of the subsidiaries have reported increased turnover and profits.

Apart from these subsidiaries, the Company holds 49% of the shares in Advanta Limited. During the year, this company has also put up an improved performance. This company is concentrating on developing new seeds for various crops and vegetables.

Insurance

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

Auditors and Auditors Report

M/s S. V. Ghatalia & Associates LLP, Chartered Accountants, the present statutory Auditors of the Company and who hold office upto the date of the Annual General Meeting have expressed their inability to continue as the statutory Auditors of the Company.

In view of the above, the members are requested to appoint M/s S R B C & CO LLP, (Firm Registration No. 324982E), Chartered Accountants as the Auditors of the Company for the year 2014-15 and authorise the Board to fix their remuneration. M/s. S R B C & CO LLP have expressed their willingness to take up the assignment of Statutory Audit of the Company. They have also confirmed that, if appointed, their appointment would be in accordance with the limits specified in Section 139(1) of the Companies Act, 2013.

The Board takes this opportunity to place on record its deep sense of appreciation to the outgoing Auditors M/s. S. V. Ghatalia & Associates LLP for the services rendered and guidance imparted by them during their tenure as Statutory Auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Cost Audit

The Board of Directors appointed M/s. RA & Co, Cost Accountants, Mumbai as Cost Auditor of the Company for conducting audit of the cost accounting records maintained by the Company in respect of the insecticides for the years 2014-15. They have submitted a certificate of their eligibility for such appointment. The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the members at the ensuing Annual General Meeting, would be ₹5,00,000 (Rupees five lacs only) excluding out of pocket expenses, if any.

For the year 2013-14, the due date for filing the Cost Audit Report is 30th September, 2014 and the same will be filed in due course. The Cost Audit Report for the year 2012-13 was filed on 27th September, 2013.

Depository System

98.09% of the total paid-up equity shares of the Company are dematerialised as on 31st March, 2014.

Directors

In accordance with the provisions Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Jaidev Rajnikant Shroff and Mrs. Sandra Rajnikant Shroff, Directors of the Company, retire by rotation at the ensuing

Annual General Meeting of the Company, and being eligible offer themselves for reappointment.

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the brief resume of Mr. Jaidev Rajnikant Shroff and Mrs. Sandra Rajnikant Shroff, Directors of the Company are provided in the notice convening the Annual General Meeting of the Company.

In terms of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors and are not liable to retire by rotation. Accordingly, it is proposed to appoint Mr. Pradeep Vedprakash Goyal, Dr. Venkata Krishna Kameshwarrao Palavajjhala, Dr. (Mrs.) Reena Ramachandran, Mr. Pradip Pranjivan Madhavji, Mr. Vinod Rajindranath Sethi and Mr. Suresh Prabhakar Prabhu as Independent Directors of your Company up to 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Personnel

As on 31st March, 2014, the Company had 2,560 employees in India and 3,595 employees globally.

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.

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, 2014, 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, 2014 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.

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 BSE 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
25th April, 2014

On behalf of the Board of Directors

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

Rajnikant Devidas 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 :

1. Screw compressor in place of natural gas fired VAM to reduce cost of chilled water
2. Reverse Osmosis for boiler feed water
3. Non chemical treatment for Boiler feed water to save on natural gas
4. Condensing economiser in boilers to recover latent heat of flue gas
5. Fuel conversion in boiler from costly natural gas to coal
6. Installation of lowest life cycle cost Inverted-bucket type steam trap for Header application
7. Magna Drive magnetic coupling for screw compressor to avoid misalignment and thereby avoid shutdown
8. Distilled water generation from solar for Laboratory
9. Pipe line network decongestion through proper sizing to save pumping and compressor power.
10. Automatic blow down system in boiler based on TDS

b) Additional/New proposal to reduce energy consumption

1. Mechanical evaporation for low TDS water to save steam
2. Heat pump for "Drying process" to reduce natural gas consumption
3. Energy efficient Roto jet vacuum system in place of Steam jet ejector to save steam consumption
4. Waste heat recovery to preheat combustion air
5. Rain water harvesting
6. Sky pipe installation for natural daylight harvesting
7. Green Steam through Fuel conversion from natural gas/ furnace oil to Biomass briquettes,
8. Innovative "Mechanical Vapor Recompression" with Polymeric heat exchanger for RO reject to reduce steam consumption.
9. Insulation improvements with stone wool material against slag / LRB material.
10. Usage of heat pipe heat exchanger for waste heat recovery from flue gas for process air heating.

c) Proposed benefits :

With the above energy saving proposals, energy bills are expected to decline by 12% from current levels

B. Technology Absorption, Adaptation & Innovation

Following initiatives were taken by the Company towards the technology absorption, adaptation and innovation:

1. The technology of carbon disulphide was successfully implemented on commercial scale.
2. The process technology of two insecticide and two herbicide actives developed by in-house R&D team was successfully absorbed at commercial scale. Regular production of these products was undertaken with the desired quality and yield.
3. The manufacturing process of a key intermediate for an existing product was also scaled up at commercial level. The quality of the product was confirmed through performance test by its use for finished product.
4. The technology of nine formulation products were scaled up and commercial production started for launch in domestic and international markets.
5. Purity and physical appearance of two existing actives was improved in the laboratory and then implemented in the plant.
6. Quality of two formulation products was improved for enhanced physico chemical properties and implemented for the regular production in the plant.
7. Cost reductions of two formulation products were done by use of alternate excipients and the improved formulation recipe was implemented in the plant for regular production.
8. Alternate sources of some common excipients were developed by rigorous performance tests and implemented for cost reduction.
9. Technology up-gradation and innovation initiatives were further strengthened through collaboration with universities / institutes of national and international repute and with eminent scientists and experts from the industry.

a) Research and Development (R&D)

Specific areas in which R&D initiatives were undertaken by the Company :

i. Innovative, non-infringing and cost effective process technology development for off-patent agrochemical molecules and intermediates.

ii. Development of specialty chemicals for various applications.

iii. Development of new and safer agrochemical formulations.

iv. Development of agrochemical combination formulation products with broad spectrum and synergistic activities.

v. Development of agrochemical formulation with improved performance.

vi. Improvement of existing processes for quality enhancement, cost and effluent reduction and improved safety in operations.

vii. Improvement of existing formulation products for superior quality and cost reduction.

viii. Registration data development for regulatory approvals.

b) Benefits derived by the Company :

i. Four agrochemical actives were commercialised during the year.

ii. The process of an intermediate was scaled up on commercial level. This intermediate was hither to outsourced.

iii. Nine new formulation products were commercialised and launched by the Company.

iv. The process technologies of several actives were developed for commercialisation in the coming years.

v. Several new formulations were developed for strengthening the new product pipeline and for future commercialisation.

vi. The improvements in the existing processes of actives and formulation have enhanced the quality of existing products. It has also resulted in the cost reduction.

vii. Regulatory approvals have been received for several products. Many new applications have been made with the registration data generated in the R&D.

c) Future Plan of Action :

i. Improvement of infrastructure to further enhance the capabilities of R&D laboratories.

ii. Identification of new molecules having high potential through New Product Development (NPD) process.

iii. Developing non-fringing and cost competitive process technologies of selected molecules.

iv. Development of newer and safer agrochemical formulations, combination of actives and formulations with enhanced bio-efficacy.

v. Continually improve the existing products and processes.

vi. Participation and support the plant commissioning activities for establishing the product quality and processes.

d. Expenditure incurred on R & D:

i	Capital	₹263.59 Lacs
	Recurring	₹6916.78 Lacs
	Total	₹7180.37 Lacs

ii Total R & D expenditure – 1.59% (as a percentage of turnover)

C. Foreign Exchange Earnings and Outgo

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

Due to various initiatives taken by the Company, the exports have gone up by almost 27% over the last year. For marketing the agrochemicals in overseas countries, registrations for such agrochemicals have to be mandatorily obtained from the local authorities in those countries. This is a cumbersome and time consuming process. Various tests have to be undertaken to check the effects of the agrochemicals on soil, marine life, birds, animals, environment etc and such data is required of about three years. The Company has over past many years, worked relentlessly and obtained registrations for its agrochemicals in various countries. More registrations coupled with global network distribution has resulted in higher exports, year after year. The Company keeps itself aware of the shifts in crop patterns in various countries due to commodity prices movements, weather changes, currency fluctuations etc. Opportunities of higher exports are identified for different countries who show potential. Similarly, different molecules for different countries are identified. During the year, the Company has started working on development of African markets, which has a huge potential. Some of the other initiatives are in the form of assistance to banana growers in Costa Rica, assistance to potato industry in Europe etc. In Brazil, which is a country with excellent potential, the Company participated in trade fair and exhibited our products and the effectiveness in big demonstration farms. It is expected that with continuous introduction of new products, the exports will keep on growing in the future. The Company's exports during the year have grown from ₹2189 crores in the previous year to ₹2783 crores in the current year.

2. Total Foreign Exchange earned and used:

	2013-14 (₹ in lacs)	2012-13 (₹ in lacs)
a. Total Foreign Exchange earned	294,121	223,710
b. Total Foreign Exchange used	189,437	134,052

For and on behalf of the Board

Mumbai
25th April, 2014

Rajnikant Devidas Shroff
Chairman & Managing Director

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	2013-14	2012-13
ELECTRICITY		
Purchased units (kwh)	99815902	66074142
Total Cost (₹)	733311382.7	482209053
Rate/Unit (₹)	7.35	7.30
OWN GENERATION (D G HOUSE)		
UNITS (kwh)	614263	493870
Unit per Litre of Diesel Oil	3.03	3.02
Cost/Unit (₹)	21.44	24.74
OWN GENERATION (POWER PLANT)		
UNITS (kwh)	172411400	207758800
Unit per M3 of Natural Gas	3.50	3.59
Cost/Unit (₹)	10.61	7.66
FURNACE OIL		
Quantity (Litres)	562039	511237
Total Cost (₹)	21868634	17989966
Rate/Litre (₹)	38.91	35.19
NATURAL GAS		
Quantity (M3)	80201961	80515877
Total Cost (₹)	3039833329	2500911147
Rate/Unit (₹)	37.90	31.06

CONSUMPTION PER UNIT OF PRODUCTION - ALL PRODUCTS

	Rate/Unit 2013-14	Rate/Unit 2012-13
Electricity	1.00/.11	1.28/.11
Furnace oil	0.002	0.002
Natural Gas	0.12	0.10

For and on behalf of the Board

Mumbai
25th April, 2014

Rajnikant Devidas Shroff
Chairman & Managing Director

Corporate Governance

Dear members

1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It wants to enhance shareholder value by undertaking the best Corporate Governance practices. The high standard of Corporate Governance is maintained by being transparent, accountable and being continuously interactive with shareholders, employees, lending institutions, banks, governmental 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 the management and the employees need to work ethically.

2. Board of Directors

The Board of Directors consists of 12 Directors as on 31st March, 2014.

Six 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: 25th April, 2013, 24th July, 2013, 24th October, 2013, 30th December, 2013, 24th January, 2014 and 24th March, 2014.

Composition and category of Directors, Other Directorships and Committee Memberships:

Name of the Director	Category	Attendance Particulars		No. of other directorships and Committee member/ chairmanship*		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. R. D. Shroff	Promoter & Executive Chairman & Managing Director	6	Present	9	-	1
Mrs. S. R. Shroff	Promoter & Non-Executive Vice Chairman	4	Absent	8	-	-
Mr. J. R. Shroff	Promoter & Non-Executive Director	3	Present	8	1	-
Mr. V. R. Shroff	Promoter & Non-Executive Director	4	Absent	7	3	-
Mr. A. C. Ashar	Non-Promoter & Executive Director	5	Absent	12	2	-
Dr. P. V. Krishna	Independent & Non-Executive Director	6	Present	1	-	-
Mr. Pradeep Goyal	Independent & Non-Executive Director	3	Present	4	2	2
Mr. K. Banerjee	Non-Promoter Executive Director	4	Present	1	-	-
Dr. (Mrs.) Reena Ramachandran	Independent & Non-Executive Director	6	Present	-	-	-
Mr. Pradip Madhavji	Independent & Non-Executive Director	6	Present	2	-	2
Mr. Vinod Sethi	Independent & Non-Executive Director	5	Absent	4	-	2
Mr. Suresh P. Prabhu	Independent & Non-Executive Director	4	Present	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 and Capital Expenditure Budget,
- Financial Results of the Company and consolidated results,
- Recommendation of payment of dividend on equity shares,
- Approval of Directors Report and Notice of Annual General Meeting,
- General Notice of Disclosure of interest of Directors,
- Written representation of Directors pursuant to section 274(1)(g) of the Companies Act, 1956,
- Buy-back of equity shares of the Company,
- Re-appointment and payment of remuneration to Whole-time Directors,
- Appointment / Stepping down of CFO,
- Commission to Executive and Non-Executive Directors,
- Investment in securities,
- Inter-corporate investments, loans and guarantees,
- Material show cause notices, legal judgments among others.
- Acquisition / Sale of business, abroad,
- Approval for contracts entered into with parties covered in the register under Section 301 of the Companies Act, 1956,
- Minutes of the meetings of the Audit Committee and other committees of the Board,
- Ratification of minutes of finance committee minutes,
- Adoption of Share Transfer Committee's Report,
- Review of the procedure for risk assessment and minimisation,
- Consideration of any disclosure made by the senior management relating to any transaction having potential conflict with interests of the Company,
- Appointment of Cost Auditors,
- Approval of the Cost Audit Report and the Compliance Report,
- Availing / Renewing credit facilities from banks in India and abroad
- Purchase of properties,
- Donations towards corpus of the Trusts for their charitable objects,
- Contribution to political parties,
- Transmission of equity shares of deceased shareholders to legal representatives without legal representation,
- Reconciliation of share capital audit.
- Constitution of CSR Committee.

4. Subsidiary companies

The Company does not have a material non-listed Indian subsidiary whose turnover or networth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

5. Disclosures

The particulars of transactions between the Company and related parties as per the Accounting Standards are mentioned separately in note no. 34 of notes to financial statements 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 amortisation of the product registrations and product acquisitions adjusted to the Reserves.

No strictures or penalties have been imposed on the Company by the Stock Exchanges 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, 2014 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	257,850
Dr. P. V. Krishna	Nil
Mr. Pradeep Goyal	Nil
Mr. K. Banerjee	346,204
Dr. (Mrs.) Reena Ramachandran	Nil
Mr. Pradip Madhavji	Nil
Mr. Vinod Sethi	Nil
Mr. Suresh P. Prabhu	Nil

6. 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.

7. 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 25th April, 2013, 24th July, 2013, 24th October, 2013 and 24th January, 2014.

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	3	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.

Mr. M. B. Trivedi, Company Secretary acts as the Secretary to the Audit Committee.

8. 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 their performance and predefined criteria. One meeting of the Remuneration Committee was held on 25th April, 2013.

Composition of members of Remuneration Committee is as follows:

Composition	Dr. (Mrs.) Reena Ramachandran Chairman	Mr. Pradeep Goyal	Dr. P. V. Krishna
Meetings attended during the year	1	1	1

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

The aggregate value of salary, perquisites and commission for the year ended 31st March, 2014 to three whole-time Directors is as follows:

₹ in Lacs

Name of Director	Salary	Perquisites	Retirement Benefits	Commission	Total
Mr. R. D. Shroff *Chairman & Managing Director*	372.00	98.97	118.33	350.00	939.30
Mr. Kalyan Banerjee *Whole-time Director*	21.00	12.92	6.68	15.00	55.60
Mr. A. C. Ashar *Whole- time Director*	98.10	53.22	31.20	60.00	242.52

The Company has paid the sitting fees for the year ended 31st March, 2014 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 ₹1,80,000/-; Mr. Pradeep Goyal ₹1,10,000/-, Dr. (Mrs.) Reena Ramachandran ₹1,30,000/-, Mr. Pradip Madhavji ₹1,70,000/-, Mr. Vinod R. Sethi ₹100,000/- and Mr. Suresh P. Prabhu ₹80,000/-

In addition, the Company has paid a commission to Independent and Non-Executive Directors of ₹5.00 lacs each to Dr. P. V. Krishna, Mr. Pradeep Goyal, Dr. (Mrs.) Reena Ramachandran, Mr. Pradip Madhavji, Mr. Vinod Sethi and Mr. Suresh P. Prabhu.

9. 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 24th January, 2014.

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

Composition	Mr. Pradip Madhavji Chairman	Mr. Pradeep Goyal	Dr. P. V. Krishna
Meetings attended during the year	1	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/thrice a month to approve transfer of shares, issue of duplicate certificates, redressal of Shareholders' and Investors' Grievances, among others. Share certificates submitted for dematerialisation and request for rematerialisation were also approved by the committee.

The total numbers of complaints received during the year under review were 223 and all the complaints were replied to the satisfaction of shareholders on or before 31st March, 2014.

Two requests for transfers were pending for approval as on 31st March, 2014, which were approved and dealt with by 15th April, 2014.

10. General Body Meetings

(A) Annual General Meetings:

Location and time for last three Annual General Meetings were:

Year	AGM	Location	Date	Time
2010-2011	27th AGM	Hotel Green View Hall, N. H. No. 8 Vapi, Gujarat - 396 195.	26/07/2011	10.00 a.m.
2011-2012	28th AGM	Hotel Green View Hall, N. H. No. 8 Vapi, Gujarat - 396 195.	27/07/2012	10.00 a.m.
2012-2013	29th AGM	Hotel Green View Hall, N. H. No. 8 Vapi, Gujarat - 396 195.	19/07/2013	10.00 a.m.

The following special resolutions were passed by the members during the last three Annual General Meetings:

2010-2011

- Alteration of Articles of Association of the Company.

2011-2012

- Alteration of Articles of Association of the Company.

2012-2013

- Reappointment of Mr. Rajju D. Shroff as Chairman and Managing Director and Mr. Kalyan Banerjee as Whole-time Director and payment of remuneration to them.

2013-2014

- No special resolution was passed through Postal Ballot during the year.
- None of the resolutions proposed to be passed in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

11. (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, among others that may have potential conflict with the interests of the Company at large.**

During the year, the Company had no materially significant related party transactions, which were considered to have potential conflict with the interests 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.

12. Means of communication

The quarterly and annual results are published by the Company in the English and Gujarati editions of the *'The Economics Times'* / *'DNA'* / *'Business Standard'* / *'Business Line'* / *'The Financial Express'*/ *'Western Times'* and are also displayed on corporate website, **www.uplonline.com.** The Company's website also contains a separate dedicated section called 'Investors' wherein shareholder-related information like the Annual Report of the Company, shareholding pattern among others, are available. Official news releases are sent to the Stock Exchanges at BSE 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.

13. General Shareholder Information

13.1	**Annual General Meeting**	
	- Date	22nd August, 2014 at 9.00 a.m.
	- Venue	Hotel Green View Hall, N. H. No. 8, Vapi - 396195, Gujarat.
13.2	**Financial calendar**	**Annual General Meeting** 22nd August, 2014 **Results for quarter ending June 30, 2014** - On or before 14th August, 2014 **Results for quarter ending September 30, 2014** - On or before 14th November, 2014 **Results for quarter ending December 31, 2014** - On or before 14th February, 2015 **Results for quarter/ year ending March 31, 2015** - Last week of April, 2015 / May, 2015.
13.3	**Book closure date**	09/08/2014 to 22/08/2014 (Both days inclusive)
13.4	**Dividend payment date**	On or after 28th August, 2014
13.5	**(a) Listing of Equity Shares on Stock Exchanges at**	BSE Ltd. and National Stock Exchange of India Ltd.
	(b) Listing of GDR on the Stock Exchanges at	Luxembourg Stock Exchange
13.6	**(a) Stock Code**	BSE Ltd. : 512070 National Stock Exchange of India Ltd. : UPL
	(b) Demat ISIN Number in NSDL & CDSL for Equity Shares of ₹2/- each	INE628A01036

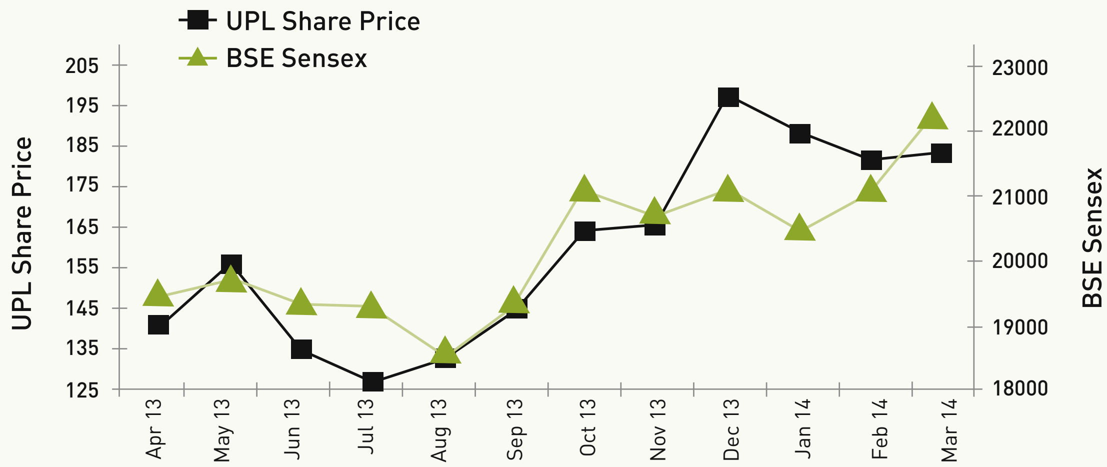
13.7 **Stock Market Data**

Month	BSE 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 2013	143.00	113.30	143.00	117.45
May 2013	160.90	140.00	160.95	140.50
June 2013	167.50	126.65	167.50	126.40
July 2013	150.45	126.20	150.50	126.00
August 2013	152.75	121.00	153.00	120.90
September 2013	146.00	130.40	146.70	130.05
October 2013	164.90	141.40	165.00	141.75
November 2013	175.50	155.75	175.50	155.55
December 2013	200.20	161.15	200.40	161.10
January 2014	218.00	178.00	217.70	178.25
February 2014	199.20	177.00	199.25	176.60
March 2014	194.85	179.60	194.85	179.50

13.8 **Share price performance in comparison to broad-based indices – BSE Sensex.**

UPL closing share price performance relative to BSE Sensex based on share price during the year.

Relative performance of UPL Ltd.



13.9 **Registrar and Share Transfer Agent:**

(Share transfer and communication regarding share certificate, dividends and change of address).

Sharepro Services (India) Pvt. Ltd.

Unit : UPL Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072.

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

UPL 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.

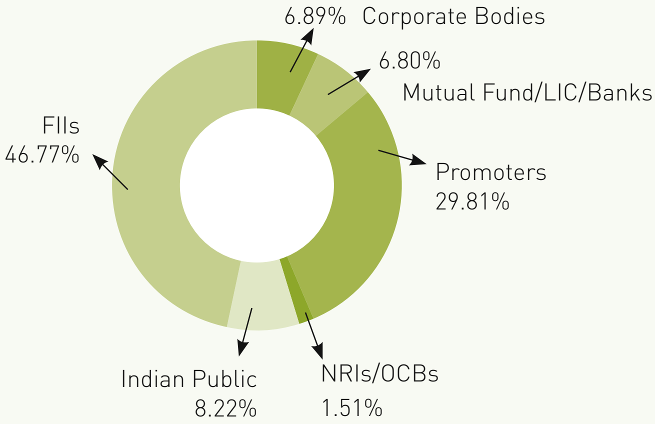
13.10 **Share Transfer System**

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.

13.11 Distribution of shareholdings as on 31st March, 2014:

Shareholding of Nominal Value of (₹)	Shareholders		Share Amount	
	Numbers	% of Total Nos.	In (₹)	% of Total Amt.
1 – 5,000	57460	94.59	35026978	4.09
5,001 – 10,000	1530	2.52	11466360	1.34
10,001 – 20,000	950	1.56	13321938	1.55
20,001 – 30,000	200	0.33	5002248	0.58
30,001 – 40,000	122	0.20	4260466	0.50
40,001 – 50,000	40	0.07	1808326	0.21
50,001 – 1,00,000	107	0.18	7863516	0.92
1,00,001 and above.	335	0.55	778458716	90.81
Total	**60744**	**100**	**857208548**	**100**

13.12 Shareholding pattern as on 31st March, 2014:



13.13 Dematerialisation of shares

98.09% of the outstanding shares have been dematerialised up to 31st March, 2014. 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 2013 – 2014 is given below:

	BSE Ltd. (BSE)	National Stock Exchange of India Ltd. (NSE)	BSE+NSE
In no. of shares (in thousand)	208.32	1913.11	2121.43

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

13.14. Outstanding GDR/ Warrants and Convertible Bonds, their conversion dates and their likely impact on the equity:

Outstanding GDRs as on 31st March, 2014 represent 370720 shares (0.09%). There are no further outstanding instruments, which are convertible into equity in the future.

13.15. Plant locations:

The Company's plants are located at Vapi, Ankleshwar, Jhagadia, Halol, Jammu, Haldia and Hyderabad.

13.16 Address for Correspondence

(i)	**Investor correspondence**	**For Shares held in Physical Form** Sharepro Services (India) Pvt. Ltd. Unit : UPL Limited 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072. Telephone No(s): 91-022-67720300/344/345 Fax No.: 91-022-28591568 Also, for the benefit of the Shareholders, the documents will continue to be accepted at the following office of the Company: UPL 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. Telephone No.: 91-022-28724862 **For Shares held in Demat form** To the Depository Participant(s)
(ii)	**Any query on Annual Report**	Mr. M. B. Trivedi, Company Secretary UPL 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

Place: Mumbai
Date: April 25, 2014

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, 2014

On behalf of the Board of Directors of **UPL LIMITED**

Place: Mumbai
Date: April 25, 2014

R. D. Shroff
(Chairman & Managing Director)

Auditors' Certificate

To
The Members of UPL Limited

We have examined the compliance of the conditions of Corporate Governance by UPL Limited, for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the 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 aforementioned 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 LLP**
Chartered Accountants
ICAI Firm registration number: 103162W

Sudhir Soni
Partner
Membership No.: 41870

Place: Mumbai,
Date: April 25, 2014

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To

The Members of UPL Limited

(formerly known as United Phosphorus Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of UPL Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position,financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluatingthe appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act")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, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) 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;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;

   (e) On the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.V. Ghatalia & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 103162W

per Sudhir Soni
Partner
Membership Number: 41870
Place: Mumbai
Date: April 25, 2014

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirement" of our report of even date

Re: UPL Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company has not disposed a substantial part 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.

(iii) (a) The Company has granted loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 4,000 lacs and the year-end balance of loan granted to such party 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 loan are not prima facie prejudicial to the interest of the Company.

(c) In respect of loan granted, repayment of the principal amount is as stipulated and payment of interest has been regular.

(d) There is no overdue amount of loan granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(e) The Company had 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. 900 lacs and the year-end balance of loan taken from such party was Nil.

(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 loan 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 has 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, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(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 Companies Act, 1956 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 such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time except in respect of certain transactions, because of the unique and specified nature of the item involved and absence of any comparable prices, we are unable to comment whether those transactions were made at prevailing market prices at the relevant time.

(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 of the Company 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) 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 have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in a few cases.*

(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-tax, customs duty, excise duty cess and other material 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	39	1995-96, 1997-98 & 2004-05	Income-tax Appellate Tribunal
Sales Tax Act	Sales tax demands	1,935	1985-86, 1995-96 to 2005-06	Supreme Court, Jt. Commissioner of Sales-tax, Baroda, Sales Tax Tribunal
Central Excise Act	Excise duty/Service tax demands	4,458	1989-90, 1994-2004 and 2007-2013	Commissioner (Appeals) Central Excise and Service Tax Appellate Tribunal.
Customs Act	Custom duty demands	3,557	2000, 2001 and 2004	Commissioner (Appeals) Central Excise and Service Tax Appellate Tribunal
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 explanation given to us and based on the documents and records produced before 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 banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.

(xvi) Based on the 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) The Company 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 a public issue 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 year.

For S.V. Ghatalia & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 103162W

per Sudhir Soni
Partner
Membership Number: 41870
Place: Mumbai
Date: April 25, 2014

Balance Sheet as at 31st March 2014

	Notes	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	8,572	8,852
Reserves and surplus	4	322,192	326,917
		330,764	**335,769**
Non-current liabilities			
Long-term borrowings	5	106,000	140,000
Deferred tax liability (net)	13	11,734	9,090
Other long-term liabilities	6	30,670	20,981
		148,404	**170,071**
Current liabilities			
Short-term borrowings	8	11,016	63,811
Trade payables	37	137,115	94,066
Other current liabilities	9	57,346	22,005
Short-term provisions	7	23,607	15,868
		229,084	**195,750**
TOTAL		**708,252**	**701,590**
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	10	108,295	83,388
- Intangible assets	11	48,932	51,662
- Capital work-in-progress		9,913	23,615
- Intangible assets under development		1,884	-
Non-current investments	12	67,115	67,106
Long-term loans and advances	14	133,030	111,532
		369,169	**337,303**
Current assets			
Current investments	16	-	23,299
Inventories	17	87,220	62,054
Trade receivables	15.1	141,179	180,456
Cash and bank balances	18	18,540	18,822
Short-term loans and advances	14	81,429	70,614
Short term other current assets	15.2	10,715	9,042
		339,083	**364,287**
TOTAL		**708,252**	**701,590**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

M. B. Trivedi
Company Secretary

Place: Mumbai
Date: 25th April, 2014

Statement of Profit and Loss for the year ended 31st March 2014

	Notes	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Income			
Revenue from operations (gross)	19	523,444	413,602
Less: excise duty		(26,617)	(19,658)
Revenue from operations (net)		**496,827**	**393,944**
Other income	20	31,784	12,965
Total revenue (I)		**528,611**	**406,909**
Expenses			
Cost of raw material consumed	21	201,458	171,334
Purchase of traded goods	22	80,214	47,226
(Increase)/ decrease in inventories of finished goods, by-products, work-in-progress and traded goods	22	(15,399)	(3,820)
Employee benefits expense	23	25,787	23,746
Other expenses	24	138,077	112,793
Total (II)		**430,137**	**351,279**
Profit before interest, tax, depreciation and amortization (I) – (II)		**98,474**	**55,630**
Depreciation and amortization expenses	25	16,909	15,776
Finance costs	26	24,329	10,132
Profit before exceptional items and tax		**57,236**	**29,722**
Exceptional items	27	1,986	-
Profit before tax		**55,250**	**29,722**
Tax expenses			
Current tax		11,591	7,930
Tax effect of earlier years		-	39
MAT credit entitlement		(558)	-
Deferred tax		2,644	940
Total tax expense		**13,677**	**8,909**
Profit for the year		**41,573**	**20,813**
Earnings per share	28		
Basic and diluted earning per share (Rs.)		9.45	4.60
Face value per share (Rs.)		2.00	2.00
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

M. B. Trivedi
Company Secretary

Place: Mumbai
Date: 25th April, 2014

Cash flow statement for the year ended 31st March 2014

	For the Year ended 31st March, 2014		For the Year ended 31st March, 2013	
	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES				
(1) Net profit before tax		55,250		29,722
(2) Adjustments for :				
Depreciation and amortization expense	16,909		15,776	
Loss /(profit) on sale of fixed assets	(1)		8	
Assets written off	486		507	
Provisions for diminution in value of investments (net)	(7)		181	
Provision for doubtful debts and advances (net)	(43)		2,155	
Bad debts/advances written off	10		644	
Sundry debit/(credit) balances written off/(back) (net)	(41)		(711)	
Finance costs	24,329		10,132	
Profit on sale of investments	(449)		(1,455)	
Excess provisions in respect of earlier years written back (net)	(2,350)		(533)	
Dividend income	(12,266)		(1,312)	
Interest income	(6,170)		(6,554)	
Manufacturing expenses capitalised	(157)		(133)	
		20,250		18,705
Operating profit before working capital changes		75,500		48,427
(3) Adjustments for :				
Decrease/(increase) in trade receivables	39,310		(44,551)	
Decrease/(increase) in inventories	(25,166)		(7,051)	
Decrease/(increase) in long term and short term loans and advances	(9,052)		(9,677)	
Decrease/(increase) in other current assets	(2,424)		968	
Increase/(decrease) in trade payables	45,442		35,255	
Increase/(decrease) in long term and short term provisions	627		824	
Increase/(decrease) in other liabilities	892		1,691	
		49,629		(22,541)
Cash generated from operations		125,129		25,886
(4) Taxes paid (net)		(11,104)		(6,887)
Net cash from operating activities	**A**	**114,025**	**A**	**18,999**
(B) CASH FLOW FROM INVESTING ACTIVITIES				
(1) Purchase of fixed assets	(26,965)		(24,649)	
(2) Purchase of intangible assets	(4,632)		(873)	
(3) Sale / disposal of fixed assets	3		84	
(4) Investments in associates	-		(118)	
(5) Purchase of current and non current investments	(8)		(13,670)	
(6) Proceeds from sale of current and non current investments	9,500		4,462	
(7) Profit on sale of investments	248		1,364	
(8) Dividend on investments	12,266		544	
(9) Interest received	6,920		7,226	
(10) Sundry loans - Given	(16,970)		(33,196)	
(11) Sundry loans - Repaid	16,970		34,784	
(12) Fixed deposits and margin money	(119)		(31)	
(13) Advances and loans to subsidiaries - Given	(27,039)		(13,167)	
(14) Advances and loans to subsidiaries - Repaid	21,419	(8,407)	30,897	(6,343)
Net cash from/(used in) investing activities	**B**	**(8,407)**	**B**	**(6,343)**

	For the Year ended 31st March, 2014		For the Year ended 31st March, 2013	
	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
(1) Interest and finance cost paid	(19,159)		(9,984)	
(2) Proceeds from borrowings	80,022		146,206	
(3) Repayments of borrowings	(141,416)		(102,143)	
(4) Debenture issue expenses	-		(396)	
(5) Buy-back of shares	(28,258)		(22,348)	
(6) Expenses on buy-back of shares	(143)		(109)	
(7) Dividends paid	(11,065)		(11,475)	
(8) Tax on distributed profits	-	(120,019)	(1,869)	(2,118)
Net cash from / (used in) financing activities	**C**	**(120,019)**	**C**	**(2,118)**
Net increase in cash and cash equivalents	**(A + B + C)**	**(14,401)**	**(A + B + C)**	**10,538**
Cash and cash equivalents as at the beginning of the year		32,542		22,004
Cash and cash equivalents as at the close of the year		18,141		32,542
Cash and its components:				
Cash on hand		25		24
Bank balances		18,515		18,798
Cash & bank balances as per Note 18		18,540		18,822
Less: In fixed deposit account		399		280
		18,141		18,542
Add: Investments in mutual funds		-		14,000
		18,141		32,542

Notes:

1 Bank balances include unclaimed dividend of Rs. 264 lacs (Previous Year: Rs. 220 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 LLP
Chartered Accountants
Firm registration number:103162W

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

M. B. Trivedi
Company Secretary

Place: Mumbai
Date: 25th April, 2014

Notes to financial statements for the year ended 31st March 2014

1 | Corporate information

UPL Limited (formerly known as United Phosphorus Limited (the Company)) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the business of agrochemicals, industrial chemicals, chemical intermediates and speciality chemicals.

2 | Basis of preparation

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards notified under section 211(3C) of Companies Act, 1956, section 133 of the Companies Act, 2013 read with general circular dated 12th September, 2013 and the relevant provisions thereof.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act,1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ noncurrent classification of assets and liabilities.

2.1 | Significant accounting policies:

a Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b Tangible 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 amortization.

d Depreciation:

Depreciation is calculated using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.

(i) Leasehold Land:

No depreciation is provided for 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 / with marginal payment of further premium.

(ii) Other Tangible 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 on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956 as under:

(i) At the straight line rates specified in Schedule XIV of the Companies Act, 1956 in respect of additions to the aforesaid Fixed Assets.

(ii) In respect of the following Plant and Machinery 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 Improvements on a straight line basis over the period of the lease.

(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 Impairment of tangible and intangible assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable

Notes to financial statements for the year ended 31st March 2014

amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

f Inventories:

(i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realizable 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 realizable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Cost of finished goods includes excise duty, as applicable.

(iii) Traded goods are valued at lower of cost and net realizable value.

g Amortization of Intangible Assets:

(i) Expenditure incurred on product acquisitions is amortized 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 amortized on straight line basis over a period of five years.

h Research and Development:

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 amortized over the period of expected future benefit.

i Investments:

Presentation and disclosure

Investments, which are readily realizable and intended to be held for not more than one year from the balance sheet date are classified as current investments. All other investments are classified as non-current investments.

Recognition and Measurement

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are recognized as current investments. All other investments are recognized as long-term investments and carried at the cost of acquisition. However, the carrying amount is reduced to recognize a decline, other than temporary, in the value of long-term investments by a charge to the statement of profit and loss. Current investments are stated at lower of cost or fair value determined on individual basis.

j Sale of Trade Receivable

Sale of insured trade receivables to banks whereby significant risks and rewards are transferred 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.

k 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 Drawback, Focus Market Scheme and other schemes as per the Import and Export Policy in respect of exports made under the said schemes is included as `Export Incentives' under the head `Other operating revenue'.

l Retirement Benefits:

(i) Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss 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 statement of profit and loss 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.

Notes to financial statements for the year ended 31st March 2014

(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 recognized immediately to the statement of profit and loss.

m Revenue recognition:

(i) Revenue from sale of goods is recognized 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 recognized as income on delivery thereof in terms of the contract with the respective buyers.

(iii) Income from services are recognized as and when the services are rendered.

(iv) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend is recognized when the shareholder's right to receive payment is established by the reporting date.

n 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 recognized as income or expense in the statement of profit and loss except for exchange differences arising on a monetary item which, in substance, form a 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 recognized 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 amortized 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 recognized in the statements of profit and loss in the year in which the exchange rate changes. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expenses for the year.

(iii) Applicable net gain/loss on foreign currency loans given/taken, settlement gain/loss and mark to market losses on derivative contracts relating to borrowings are accounted under 'finance cost'.

o 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 statement of profit and loss. Net gains are ignored.

p Borrowing Costs:

Interest and other costs incurred for acquisition and construction of qualifying assets, up to the date of commissioning / installation, are capitalized as part of the cost of the said assets. All other borrowing costs are expensed in the period they occur.

q Assets taken on Lease:

(i) Operating Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Rentals and all other expenses in respect of assets taken on lease are debited to statement of Profit and Loss 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 capitalized and a corresponding loan liability is recognized. 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 recognized in respect of assets taken on financial lease.

Notes to financial statements for the year ended 31st March 2014

r 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.

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.

s Segment Reporting Policies:

The Company's operative businesses are organized 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.

t Cash and cash equivalents:

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u 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 recognized 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 realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized 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 realized. 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 recognized 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.

v Provisions:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow 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 date and adjusted to reflect the current best estimates.

Notes to financial statements for the year ended 31st March 2014

3 | Share capital

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Authorised shares		
1,27,50,00,000 (Previous Year: 1,27,50,00,000) 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
	40,000	40,000
Issued, subscribed and fully paid-up shares		
42,86,04,274 (Previous Year: 44,26,04,274) Equity Shares of Rs. 2 each fully paid-up	8,572	8,852
Total issued, subscribed and fully paid-up share capital	**8,572**	**8,852**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-14		31-Mar-13	
	No. Lacs	Rs. Lacs	No. Lacs	Rs. Lacs
At the beginning of the year	4,426	8,852	4,618	9,236
Buy-back during the year	(140)	(280)	(192)	(384)
Outstanding at the end of the year	4,286	8,572	4,426	8,852

(b) Terms/ rights attached to equity shares:

The Company has one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31st March, 2014, the amount of per share dividend recognised as distributions to equity sharehorders was Rs. 4 (31st March, 2013: Rs. 2.50)

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31-Mar-14 No. Lacs	31-Mar-13 No. Lacs
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	2,198
Equity shares bought back by the Company.	332	192

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	31-Mar-14		31-Mar-13	
	No. Lacs	% holding in the class	No. Lacs	% holding in the class
Nerka Chemicals Private Limited	986	23.01	986	22.28
Uniphos Enterprises Limited	253	5.91	253	5.72

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to financial statements for the year ended 31st March 2014

(e) Buy-back of Shares

During the year, the Company has bought back a total of 1,40,00,000 (Previous Year 1,92,00,000) equity shares of Rs.2 each at a total consideration of Rs.28,258 Lacs (Previous Year: Rs. 22,349 lacs) (excluding brokerage, taxes and other charges). Accordingly, the face value of shares bought back amounting to Rs. 280 Lacs (Previous Year: Rs. 384 lacs) has been adjusted against share capital and the balance amount of Rs.27,978 Lacs (Previous Year: Rs. 21,964 lacs) and related expenses amounting to Rs.143 Lacs (Previous Year: Rs. 109 lacs) have been adjusted in securities premium. Further, during the current year in accordance with the notified section 69 of the Companies Act, 2013, the Company has transferred an amount of Rs. 280 Lacs, being a sum equal to nominal value of equity shares bought back, from surplus balance in the statement of profit and loss to capital redemption reserve.

4 | Reserves and surplus

		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
1	**Capital reserve**		
	Closing balance and balance as per last financial statements	**8,531**	**8,531**
2	**Capital redemption reserve**		
	Balance as per the last financial statements	3,312	3,312
	Add: Amount transfer from surplus balance in the statement of Profit and Loss	280	-
	Closing Balance	**3,592**	**3,312**
3	**Securities premium**		
	Balance as per the last financial statements	109,214	131,555
	Less: Adjustment on account of buy-back of equity shares (refer note 3(e))	27,978	21,964
	Less: Expenses on buy-back of equity shares (refer note 3(e))	143	109
	Less: Expenses incurred on issue of Debentures (net of tax)	-	268
	Closing balance	**81,093**	**109,214**
4	**Debenture redemption reserve**		
	Balance as per the last financial statements	12,177	10,789
	Add: Amount transferred from surplus balance in the statement of profit and loss	5,771	4,763
	Less: Amount transferred to surplus balance in the statement of profit and loss	-	3,375
	Closing balance	**17,948**	**12,177**
5	**General reserve**		
	Balance as per the last financial statements	179,832	177,332
	Add: Amount transferred from surplus balance in the statement of profit and loss	5,000	2,500
	Closing balance	**184,832**	**179,832**
6	**Surplus in the statement of profit and loss**		
	Balance as per last financial statements	13,851	9,847
	Add: Profit for the year	41,573	20,813
	Add: Debenture redemption reserve written back	-	3,375
	Add: Excess provision of dividend distribution tax written back (Refer Note 47)	1,881	-
	Less: Appropriations		
	Transfer to capital redemption reserve	280	-
	Dividend on Equity Shares [net of excess provision of earlier year: Nil (Previous Year: Rs.21 Lacs)	17,144	11,044
	Tax on equity dividend [net of excess provision of earlier year: Nil (Previous Year: Rs. 4 Lacs)]	2,914	1,877
	Transfer to debenture redemption reserve	5,771	4,763
	Transfer to general reserve	5,000	2,500
	Total appropriations	**31,109**	**20,184**
	Net surplus in the statement of profit and loss	**26,196**	**13,851**
	Total reserves and surplus	**322,192**	**326,917**

Notes to financial statements for the year ended 31st March 2014

5 | Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Debentures				
Unsecured Redeemable Non-convertible Debentures	115,000	140,000	25,000	-
Less: Non-convertible Debentures bought back by the Company pending extinguishment	(9,000)	-	-	-
(Refer Notes below)				
	106,000	**140,000**	**25,000**	**-**
The above amount includes				
Secured borrowings	-	-	-	-
Unsecured borrowings	106,000	140,000	-	-
Amount disclosed under the head "other current liabilities"	-	-	(25,000)	-
(Refer note 9)				
Net amount	**106,000**	**140,000**	**-**	**-**

Notes:

Unsecured Redeemable Non-Convertible Debentures

(i) NCDs amounting to Rs. 30,000 lacs (Previous Year: Rs. 30,000 lacs) have been issued under two series and are redeemable at par at the end of 10th year Rs. 15,000 lacs i.e June, 2022 and 7th year Rs. 15,000 Lacs i.e June, 2019 from the date of allotment. Out of the above, NCDs amounting to Rs. 9,000 lacs have been bought back by the Company.

(ii) NCDs amounting to Rs. 25,000 lacs (Previous Year: Rs 25,000 lacs) are redeemable at par at the end of 15th year i.e July 2026 from the date of allotment . The NCDs carry a call option at the end of 10th year from the date of allotment.

(iii) NCDs aggregating to Rs. 30,000 lacs (Previous Year: Rs 30,000 lacs) have been issued under four series and are redeemable at par of Rs 7,500 lacs each at the end of 12th year, 11th year, 9th year and 8th year i.e. October 2022, October 2021, October 2019 and October 2018 respectively from the date of allotment.

(iv) NCDs aggregating to Rs. 30,000 lacs (Previous Year: Rs. 30,000 lacs) have been issued in two series and are redeemable at par at the end of 10th year Rs. 15,000 lacs i.e. April 2020 and 7th year Rs. 15,000 lacs i.e. April 2017 from the date of allotment. The NCDs carry a call option at the end of 6th year i.e. April 2016 and 5th year i.e. April 2015 respectively from the date of allotment.

(v) NCDs amounting to Rs. 25,000 lacs (Previous Year: Rs 25,000 lacs) are redeemable at par at the end of 5th year i.e January, 2015 from the date of allotment.

(vi) NCDs mentioned above carry a coupon rate ranging from 9.50% to 10.70%.

6 | Other long-term liabilities

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Mark to market losses on derivatives (net)	30,481	20,981
Deferred payment liabilities	189	-
	30,670	**20,981**

7 | Provisions

	Short-term	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Provision for employee benefits		
Provision for leave benefits (net)	3,254	2,755
Provision for gratuity (net) (refer note 29)	295	167
	3,549	**2,922**

Notes to financial statements for the year ended 31st March 2014

7 | Provisions (Contd.)

	Short-term	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Other provisions		
Proposed final equity dividend	17,144	11,065
Provision for tax on equity dividend	2,914	1,881
	20,058	**12,946**
	23,607	**15,868**

8 | Short-term borrowings

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(a) On cash credit, packing credit and working capital demand loan accounts from banks		
(i) Secured (Refer note a and b below)	722	5,342
(ii) Unsecured (Refer note a below)	9,794	19,128
(b) Buyers credit from banks (Unsecured) (Refer Note c below)	-	38,841
(c) Loans from others (Unsecured) (Refer Note d below)	500	500
	11,016	**63,811**
The above amount includes		
Secured borrowings	722	5,342
Unsecured borrowings	10,294	58,469

Note

a. Outstanding loans carry an interest rate of Base Rate/Libor plus margin ranging from 70 bps to 400 bps

b. Outstanding loan is secured by hypothecation of inventories, bills receivables, book debts and all movables assets of the Company both present and future, wherever situated.

c. Short term buyers credit outstanding Rs. Nil (Previous Year: Rs. 38,841 lacs) were unsecured and carried an interest rate ranging from Libor plus 60 bps to 120 bps.

d. Unsecured short term demand loan carrying an interest rate of 12.50% p.a.

9 | Other Current liabilities

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current maturities of long-term borrowings (Refer note 5)	25,000	-
Interest accrued but not due on borrowings	9,937	10,578
Investor Education and Protection Fund will be credited by following amounts (as and when due):		
Unpaid dividend	264	220
Other Payable		
Advance against orders	4,981	5,041
Trade deposits	2,499	2,402
Capital goods creditors	1,547	775
Statutory liabilities	3,615	2,836
MTM loss on derivatives / loss on forward contracts	9,324	-
Others	179	153
	57,346	**22,005**

Notes to financial statements for the year ended 31st March 2014

10 | Tangible Assets

Rs. Lacs

Sr. No.	Description of Assets	Gross Block: As at 1.04.2013 (1.04.2012)	Gross Block: Additions during the year	Gross Block: Deductions during the year	Gross Block: As at 31.03.2014 (31.03.2013)	Depreciation: As at 1.04.2013 (1.04.2012)	Depreciation: Provided during the year	Depreciation: Deductions during the year	Depreciation: As at 31.03.2014 (31.03.2013)	Net Block: As at 31.03.2014 (31.03.2013)	Net Block: As at 31.03.2013 (31.03.2012)
1	Land - Freehold.	9,226	773	-	**9,999**	-	-	-	-	**9,999**	9,226
		(9,226)	(-)	(-)	(9,226)	(-)	(-)	(-)	(-)	(9,226)	(9,226)
2	Land - Leasehold	5,157	-	-	**5,157**	-	-	-	-	**5,157**	5,157
		(5,103)	(54)	(-)	(5,157)	(-)	(-)	(-)	(-)	(5,157)	(5,103)
3	Leasehold Improvement Asset	2,467	-	-	**2,467**	2,314	85	-	**2,399**	**68**	153
		(2,466)	(1)	(-)	(2,467)	(1,791)	(523)	(-)	(2,314)	(153)	(675)
4	Building	9,356	2,864	54	**12,166**	2,280	298	7	**2,571**	**9,595**	7,076
		(8,237)	(1,135)	(16)	(9,356)	(2,033)	(256)	(9)	(2,280)	(7,076)	(6,204)
5	Plant & Machinery	132,582	32,228	1,450	**163,360**	74,132	10,322	1,016	**83,438**	**79,922**	58,450
		(124,581)	(10,624)	(2,623)	(132,582)	(67,553)	(8,630)	(2,051)	(74,132)	(58,450)	(57,028)
6	Laboratory Equipments	388	213	12	**589**	106	24	10	**120**	**469**	282
		(353)	(37)	(2)	(388)	(89)	(18)	(1)	(106)	(282)	(264)
7	Office Equipments	2,525	194	149	**2,570**	1,937	165	145	**1,957**	**613**	588
		(2,386)	(185)	(46)	(2,525)	(1,821)	(158)	(42)	(1,937)	(588)	(565)
8	Furniture,Fixture & Equipments	3,132	324	2	**3,454**	1,650	268	2	**1,916**	**1,538**	1,482
		(2,873)	(281)	(22)	(3,132)	(1,400)	(268)	(18)	(1,650)	(1,482)	(1,473)
9	Vehicles	2,056	231	38	**2,249**	1,082	269	36	**1,315**	**934**	974
		(1,522)	(693)	(159)	(2,056)	(1,023)	(207)	(148)	(1,082)	(974)	(499)
	Total 2013-14	166,889	36,827	1,705	**202,011**	83,501	11,431	1,216	**93,716**	**108,295**	83,388
	Total 2012-13	(156,747)	(13,010)	(2,868)	(166,889)	(75,710)	(10,060)	(2,269)	(83,501)	(83,388)	(81,037)

Note:

Figures in brackets represents amounts pertaining to previous years.

Notes to financial statements for the year ended 31st March 2014

11 | Intangible Assets:

Rs. Lacs

		Gross Block				Amortisation			Net Block	
Sr. No.	Description of Assets	As at 1.04.2013 (1.04.2012)	Additions during the year	Deductions during the year	As at 31.03.2014 (31.03.2013)	As at 1.04.2013 (1.04.2012)	Provided during the year	As at 31.03.2014 (31.03.2013)	As at 31.03.2014 (31.03.2013)	As at 31.03.2013 (31.03.2012)
1	Data Access Fees	9,438	-	-	**9,438**	9,275	161	**9,436**	**2**	163
		(9,438)	(-)	(-)	(9,438)	(8,777)	(498)	(9,275)	(163)	(661)
2	Task Force Expenses	810	-	-	**810**	810	-	**810**	**-**	-
		(810)	(-)	(-)	(810)	(808)	(2)	(810)	(-)	(2)
3	Product Registrations	7,588	1,551	-	**9,139**	4,124	1,245	**5,369**	**3,770**	3,464
		(7,140)	(448)	(-)	(7,588)	(2,923)	(1,201)	(4,124)	(3,464)	(4,217)
4	Product Acqusitions	58,542	965	-	**59,507**	11,051	3,908	**14,959**	**44,548**	47,491
		(58,542)	(-)	(-)	(58,542)	(7,149)	(3,902)	(11,051)	(47,491)	(51,393)
5	Software	925	232	-	**1,157**	381	164	**545**	**612**	544
		(500)	(425)	(-)	(925)	(268)	(113)	(381)	(544)	(232)
	Total (2013-14)	77,303	2,748	-	**80,051**	25,641	5,478	**31,119**	**48,932**	51,662
	Total (2012-13)	76,430	(873)	-	(77,303)	(19,925)	(5,716)	(25,641)	(51,662)	(56,505)

Note:

a 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.

b Figures in brackets represent amounts pertaining to previous year.

Notes to financial statements for the year ended 31st March 2014

12 | Non-current investments

		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
	NON CURRENT INVESTMENTS (Valued at cost unless stated otherwise):		
A	**Trade Investment:**		
I	**Investments in Equity Instruments:**		
	(i) Investment in Subsidiaries (Unquoted)		
	(a) 8,36,000 (Previous Year: 8,36,000) Ordinary Shares of US $ 100 each fully paid-up in Bio-Win Corporation Limited	36,438	36,438
	(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
		38,134	**38,134**
	(ii) Investment in Associates		
	(a) 420,00,000* (Previous Year: 84,00,000) Equity Shares of Rs. 2 each (Previous Year: Rs.10) each fully paid-up in Advanta Limited (Quoted)	23,649	23,649
	* During the year, share of Rs.10 each has been divided into 5 shares of Rs.2 each.		
	(b) 9,21,000 (Previous Year: 9,21,000) Equity Shares of Rs 10 each fully paid-up in Chemisynth (Vapi) Limited (Unquoted)	421	421
		24,070	**24,070**
	(iii) Investment in Joint Ventures (Unquoted)		
	1,627 (Previous Year: 1,627) Equity Shares of Tk.1,000 each fully paid-up in United Phosphorus (Bangladesh) Limited	4	4
	(iv) Investment in Others (Unquoted)		
	(a) 57 (Previous Year: 57) Ordinary Shares of 1 Rand each fully paid-up in Cropserve (PTY) Limited	289	289
	(b) 34,35,070 (Previous Year: 34,13,388) Equity Shares of Rs.10 each fully paid-up in Narmada Clean Tech Limited	343	341
		632	**630**
	Total I	**62,840**	**62,838**
II	**Investments in Preference Shares (Unquoted)**		
	Investment in Subsidiary		
	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
	Total II	**702**	**702**
	Total A (I + II)	**63,542**	**63,540**
B	**Other Investment:**		
I	**Investments in Equity Instruments:**		
	(i) Investment in Subsidiary Company (Unquoted)		
	2,40,000 (Previous Year: 2,40,000) Equity shares of Rs. 10 each fully paid-up in UPL Investment Private Limited	186	186
	(ii) Investment in Associates (Unquoted)		
	(a) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Agrinet Solutions Limited	315	315
	(b) 33,50,000 (Previous Year: 33,50,000) Equity Shares of Rs.10 each fully paid-up in Kerala Enviro Infrastructure Limited	335	335
		650	**650**
	(iii) Investment in Others		
	Quoted		
	(a) 28,100 (Previous Year: 28,100) Equity Shares of Rs.10 each fully paid-up in Gujarat State Financial Corporation	6	6

Notes to financial statements for the year ended 31st March 2014

12 | Non-current investments (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(b) 50,000 (Previous Year: 50,000) Equity Shares of Rs. 10 each fully paid-up in Nivi Trading Limited	6	6
(c) 41,150 (Previous Year: 41,150) Equity Shares of Rs.10 each fully paid-up in Transpek Industry Limited	68	68
(d) 5,307 (Previous Year: 5,307) Equity Shares of Rs.10 each fully paid-up in IDFC Limited	2	2
(e) 3,598 (Previous Year: 3,598) Equity Shares of Rs.10 each fully paid-up in Bank of Baroda Limited	8	8
	90	**90**
Unquoted		
(a) 10,000 (Previous Year: 10,000) Equity Shares of Rs.10 each fully paid-up in Janakalyan Sahakari Bank Limited	1	1
(b) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Uniphos International Limited	50	50
(c) 45,000 (Previous Year: 45,000) Equity Shares of Rs.10 each fully paid-up in Bloom Packaging Private Limited	185	185
(d) 19,025 (Previous Year: 19,025) Equity Shares of Rs.10 each fully paid-up in Bench Bio Private Limited	448	448
	684	684
Total (iii)	**774**	**774**
Total I	**1,610**	**1,610**
II Investments in Government or trust securities (Unquoted)		
(a) Indira Vikas Patra [Face Value:Current Year: Rs. 0.06 lac. (Previous Year Rs. 0.06 lac)]. Deposited with Government Authorities.	-	-
(b) National Saving Certificates [Face Value:Current Year: Rs. 0.06 lac. (Previous Year Rs. 0.06 lac)]. Deposited with Government Authorities.	-	-
Total II	-	-
III Investments in debentures or bonds (Unquoted)		
(i) In Subsidiary Company		
1,500 (Previous Year: 1,500) Compulsorily Convertible Bonds of Rs.1,00,000 each in UPL Investment Private Limited	1,500	1,500
(ii) In Others		
1,855 (Previous Year: 1,855) Compulsorily Convertible Bonds of Rs.1,00,000 each in Tatva Global Environment Limited	1,855	1,855
Total III	**3,355**	**3,355**
IV Investment in Limited Liability Parternship (LLP);		
(a) UPL(India) LLP - Capital Contribution in LLP	9	9
(b) UPL(Global) LLP - Capital Contribution in LLP	10	10
Total IV	**19**	**19**
Total B (I + II + III + IV)	**4,984**	**4,984**
Total A + B	**68,526**	**68,524**
Less: Provision for diminution in value of Investments	1,411	1,418
Total Non-Current Investment	**67,115**	**67,106**
Notes		
(i) Aggregate amount of quoted investments (Market value:Rs.54,346 Lacs (31 March 2013: Rs. 85,929 Lacs))	23,739	23,739
(ii) Aggregate amount of unquoted investments	44,787	44,785
(iii) Aggregate provision for diminution in value of investments	1,411	1,418

Notes to financial statements for the year ended 31st March 2014

13 | Deferred Tax Liability (net)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	15,456	12,611
Gross deferred tax liability	**15,456**	**12,611**
Deferred tax asset		
Provision for doubtful debts and advances	2,480	2,494
Others	1,242	1,027
Gross deferred tax asset	**3,722**	**3,521**
Net deferred tax liability	**11,734**	**9,090**

14 | Loans and advances

		Non-current		Current	
		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Advances and loans to subsidiaries					
Unsecured, considered good (Refer note 34)		98,189	89,215	59,978	51,642
	A	**98,189**	**89,215**	**59,978**	**51,642**
Capital advances					
Unsecured, considered good		8,892	3,010	-	-
	B	**8,892**	**3,010**	**-**	**-**
Sundry deposit					
Unsecured, considered good		6,614	3,290	-	2,824
Doubtful		158	137	-	-
		6,772	3,427	-	2,824
Provision for doubtful sundry deposit		(158)	(137)	-	-
	C	**6,614**	**3,290**	**-**	**2,824**
Advances recoverable in cash or kind					
Unsecured considered good		8,769	6,692	13,448	10,095
Doubtful		611	612	344	290
		9,380	7,304	13,792	10,385
Provision for doubtful advances		(611)	(612)	(344)	(290)
	D	**8,769**	**6,692**	**13,448**	**10,095**
Other loans and advances (Unsecured)					
Advance income-tax/wealth tax (net of provision for taxation)		3,358	3,846	-	-
Minimum alternative tax credit entitlement		5,895	5,337	-	-
Prepaid expenses		-	-	891	975
Loans to employees		188	142	198	176
Deposits with the Collectorate of Central Excise and Customs		1,125	-	6,914	4,902
	E	**10,566**	**9,325**	**8,003**	**6,053**
Sundry Loans					
Unsecured, considered good		-	-	-	-
Doubtful		217	217	-	-
		217	217	-	-
Provision for doubtful		(217)	(217)	-	-
	F	-	-	-	-
Total	**(A+B+C+D+E+F)**	**133,030**	**111,532**	**81,429**	**70,614**
Loans and advances due by directors or other officers of the Company.					
Sundry deposits					
Dues from directors		23	23	-	-

Notes to financial statements for the year ended 31st March 2014

15 | Trade receivables and other assets

15.1. Trade receivables

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	1,076	1,862
Doubtful	5,760	5,877
	6,836	7,739
Provision for doubtful receivables	(5,760)	(5,877)
	1,076	**1,862**
Other receivables		
Unsecured, considered good	140,103	178,594
Total	**141,179**	**180,456**

15.2. Other Assets

	Non-current		Current	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Unsecured, considered good unless stated otherwise				
Export Benefits Receivable	-	-	7,966	5,381
A	**-**	**-**	**7,966**	**5,381**
Interest Receivable				
Considered Good	-	-	1,662	2,412
Considered Doubtful	-	-	5	5
			1,667	2,417
Less: Provision	-	-	(5)	(5)
B	**-**	**-**	**1,662**	**2,412**
Others				
Considered Good	-	-	1,087	1,249
Considered Doubtful	201	201	-	-
	201	201	1,087	1,249
Less: Provision	(201)	(201)	-	-
C	**-**	**-**	**1,087**	**1,249**
Total Other Current Assets (A+B+C)	**-**	**-**	**10,715**	**9,042**

16 | Current investments

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current investments (valued at lower of cost and fair values unless stated otherwise)		
Investments in debentures: (Quoted)		
Investment in Associates		
Nil (Previous Year: 950) Non-Convertible Debentures of Rs.10,00,000 each in Advanta India Limited	-	9,299
Investments in Mutual Funds: (Unquoted)		
(a) Nil (Previous Year: 2,10,685) units of Reliance Liquidity Fund - Growth option of Rs. 1,000 each (Previous year: Rs. 1000 each)	-	6,000
(Net Assets Value: Nil (Previous Year: Rs. 6,020 Lacs)		
(b) Nil (Previous Year: 10,65,534) units of Birla Sun Life Cash Plus Institutional Premium - Growth of Rs.100 each.	-	2,000
(Net Assets Value: Nil (Previous Year: Rs 2002 Lacs)		

Notes to financial statements for the year ended 31st March 2014

16 | Current investments (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(c) Nil (Previous Year: 1,62,885) units of SBI Premier Liquid Fund Super I. P. Growth of Rs. 1000 each.	-	3,000
(Net Assets Value: Nil (Previous Year: Rs 3,003 Lacs)		
(d) Nil (Previous Year: 17,31,312) Units of ICICI Prudential Liquid - Regular Plan - Growth of Rs. 100 each	-	3,000
[Net Asset Value: Nil (Previous Year: Rs. 3,003)]		
Total Current Investments	**-**	**23,299**
Aggregate amount of unquoted investments	-	14,000

17 | Inventories (valued at lower of cost and net realizable value)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Raw materials and components [includes goods in transit: Rs. 574 Lacs (Previous year: Rs. 25 Lacs)]	25,813	18,666
Packing material	2,650	2,164
Semi-finished goods	15,411	8,925
Finished goods	38,692	28,709
Traded goods [includes goods-in-transit: Rs.205 Lacs (Previous year: Nil)]	1,876	871
Stores and spares (including fuel)	1,827	1,607
By-products	951	1,112
Total Inventories	**87,220**	**62,054**

18 | Cash and bank balances

	Current	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Cash and cash equivalents		
Balances with banks:		
– On current accounts	17,852	18,298
– On unpaid dividend account	264	220
Cash on hand	25	24
	18,141	**18,542**
Other bank balances		
– Margin money deposit *	399	280
	399	**280**
Total	**18,540**	**18,822**

* Margin money deposits given as security against Bank Guarantee

19 | Revenue from operations

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Revenue from operations		
Sale of products (Including sale of raw materials Rs.13,518 Lacs (Previous year: Rs. 11,255 lacs)	506,463	400,585
Sales of services		
Job-work income	1,141	1,085

Notes to financial statements for the year ended 31st March 2014

19 | Revenue from operations (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Management service fees	399	517
Others	99	98
	1,639	1,700
Other operating revenue		
Export incentives	6,848	5,926
Refund of excise duty	5,287	3,589
Excess provisions in respect of earlier years written back (net)	2,350	533
Discount received	456	271
Doubtful debts written back (net)	43	-
Miscellaneous receipts	358	998
	15,342	11,317
Revenue from operations (gross)	**523,444**	**413,602**
Detail of products sold		
Finished goods sold		
Industrial Chemicals	26,446	25,576
Pesticides	335,514	285,724
Hybrid Seeds	19,011	14,996
Others	2,533	2,166
	383,504	**328,462**
Traded goods sold		
Pesticides	109,269	60,493
Industrial Chemicals	15	48
Hybrid Seeds	37	107
Others	120	220
	109,441	**60,868**
Raw material sales	13,518	11,255
	506,463	**400,585**

20 | Other income

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Interest income on		
Bank deposits	193	219
Others	5,977	6,335
Dividend income on		
Long-term investments in Subsidiary	11,250	544
Others	1,016	768
Net gain on sale of current investments	449	1,455
Rent received	256	186
Profit on Sale of asset	1	-
Exchange difference (net)	12,329	2,473
Sundry credit balances written back (net)	41	711
Provision for diminution in value of investments (net)	7	-
Miscellaneous receipts	265	274
	31,784	**12,965**

Notes to financial statements for the year ended 31st March 2014

21 | Cost of raw material consumed

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Inventory at the beginning of the year	18,666	15,838
Add: Purchases	208,605	174,162
	227,271	190,000
Less: Inventory at the end of the year	25,813	18,666
Cost of raw material consumed	**201,458**	**171,334**
[Including cost of raw material sold: Rs.12,502 lacs (Previous year Rs: 10,054 lacs)]		
Details of raw material consumed		
Pesticides Intermediates	63,631	59,067
Inorganic Chemicals	37,048	37,168
Solvents	20,728	12,823
Phosphorus & Compounds	16,383	12,904
Organic Chemicals	13,753	11,675
Technical Pesticides	20,316	14,154
Others	17,097	13,489
	188,956	161,280
Raw material sales	12,502	10,054
	201,458	**171,334**
Details of raw material inventory		
Pesticide Intermediates	10,529	8,475
Phosphorus & Compounds	2,995	476
Inorganic Chemicals	2,239	1,890
Solvents	2,559	1,636
Technical Pesticides	3,696	2,971
Organic Chemicals	946	917
Others	2,849	2,301
	25,813	**18,666**

22 | (Increase)/ decrease in inventories

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	(Increase) / decrease Rs. Lacs
Inventories at the end of the year			**31-Mar-14**
Finished goods	38,692	28,709	(9,983)
By-products	951	1,112	161
Semi-finished goods	15,411	8,925	(6,486)
Traded goods	1,876	871	(1,005)
	56,930	**39,617**	**(17,313)**
Inventories at the beginning of the year			**31-Mar-13**
Finished goods	28,709	25,119	(3,590)
By-products	1,112	843	(269)
Semi-finished goods	8,925	6,533	(2,392)
Traded goods	871	3,236	2,365
	39,617	**35,731**	**(3,886)**
	(17,313)	**(3,886)**	
Less: Excise duty on stocks	1,914	66	
	(15,399)	**(3,820)**	

Notes to financial statements for the year ended 31st March 2014

Details of purchase of traded goods

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Pesticides	79,658	47,114
Industrial chemicals	276	108
Hybrid seeds	280	4
	80,214	**47,226**

Details of inventory

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Traded goods		
Pesticides	1,317	442
Hybrid Seeds	466	415
Industrial chemicals	93	14
	1,876	**871**
Finished goods		
Pesticides	31,733	22,801
Hybrid Seeds	5,788	5,187
Industrial chemicals	731	351
Others	440	370
	38,692	**28,709**
Semi-finished goods		
Agro chemicals	13,569	7,574
Industrial chemicals	460	668
Hybrid Seeds	1,382	683
	15,411	**8,925**
By - products		
Agro chemicals	774	834
Industrial chemicals	177	278
	951	**1,112**

23 | Employee benefits expense

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Salaries, wages and bonus	21,107	19,437
Contribution to provident and other funds	1,386	1,300
Retirement Benefits (Refer note 29)	1,046	1,073
Staff welfare expenses	2,248	1,936
	25,787	**23,746**

Notes to financial statements for the year ended 31st March 2014

24 | Other expenses

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Consumption of stores and spares	3,605	2,903
Sub-contracting expenses	12,653	10,115
Power and fuel	39,153	30,746
Rent	4,161	3,740
Rates and taxes	1,410	1,059
Insurance	1,101	1,014
Repairs and maintenance		
- Plant and machinery	1,853	1,892
- Buildings	435	274
- Others	1,137	1,049
Advertising and sales promotion	3,966	2,348
Sales commission	14,586	7,136
Travelling and conveyance	5,384	5,046
Charity & donations	1,287	1,632
Effluent disposal charges	4,296	3,502
Legal and professional fees	3,027	2,588
Directors' sitting fees	8	7
Payment to auditor (Refer details below)	153	122
Provision for diminution in value of investment	-	181
Containers & packing materials consumed	18,025	14,877
Transport charges	14,275	11,957
Bad debts / advances written off	10	644
Loss on sale of assets	-	8
Assets written off	486	507
Provision for doubtful debts and advances (net)	-	2,155
Other expenses	7,066	7,291
	138,077	**112,793**
Payment to auditor		
As auditor:		
Audit fee	130	107
Others	9	2
Other services (certification fees)	11	10
Reimbursement of expenses	3	3
	153	122

Note: Audit Fees includes fees for auditing consolidated financial statements amounting to Rs.30 lacs (Previous Year: Rs.25 lacs) and Rs. 28 lacs (Previous Year: Rs. 22 lacs) for quarterly limited reviews.

25 | Depreciation and amortization expense

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Depreciation of tangible assets	11,431	10,060
Amortization of intangible assets	5,478	5,716
	16,909	**15,776**

Notes to financial statements for the year ended 31st March 2014

26 | Finance costs

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Interest		
On Debentures	12,665	13,210
On Term Loans	-	5
On Cash Credit and Working Capital Demand Loan Accounts	1,079	1,022
On Fixed Loans	64	87
Other Interest	1,086	681
Cash Discount	2,024	1,486
Exchange Difference (net)	(7,485)	(10,386)
Loss on Derivatives Instruments	14,021	3,433
Other Financial Charges	875	594
	24,329	**10,132**

27 | Exceptional Items

During the year, the Company has paid Rs.1,986 Lacs to Reserve Bank of India towards compounding fees under Foreign Exchange Management Act (FEMA).

28 | Earning Per Share

		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Basic and diluted earning per share:			
Profit after taxation as per statement of profit and loss after exceptional items	(A)	41,573	20,813
Add: Exceptional Items		1,986	-
Profit attributable to equity shareholders before exceptional items	(B)	43,559	20,813
Weighted number of equity shares outstanding	(C)	439,958,374	452,349,911
		Rupees	Rupees
Basic and diluted earning per share excluding exceptional items	(B)/(C)	9.90	4.60
Basic and diluted earning per share including exceptional items	(A)/(C)	9.45	4.60
Nominal value of equity share		2.00	2.00

29 | Retirement Benefits:

Gratuity benefit is payable to employees on retirement or resignation or death. The amount of gratuity payable is based on the past service and salary at the time of exit as per Payment of Gratuity Act, 1972. There is a vesting period of five years on the benefit.

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

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

(i) Defined Benefit Plan	Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost	255	241
Interest cost on benefit obligation	191	143
Expected return on plan assets	(181)	(168)
Net actuarial (gain)/loss recognised during the year	(2)	65
Amount included under the head Employee Benefit Expense in Note 23	263	281
Actual return on plan assets	194	192

Notes to financial statements for the year ended 31st March 2014

29 | Retirement Benefits (Contd.)

(ii) Defined Contribution Plan	Provident Fund	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost included under the head Employee Benefit Expense in Note 23	812	746

(iii) Defined Contribution Plan	Superannuation Fund	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost included under the head Employee Benefit Expense in Note 23	559	516

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

	Defined Benefit Plan - Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Present value of funded obligation	2,396	2,126
Less: Fair value of plan assets	2,101	1,959
Net Liability is included in Note 7 - Provisions	295	167

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

	Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Opening defined benefit obligation	2,126	1,768
Interest cost	191	143
Current service cost	255	241
Benefits paid	(135)	(115)
Actuarial (gains)/loss on obligation	(41)	89
Closing defined benefit obligation	2,396	2,126

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

	Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Opening fair value of plan assets	1,959	1,767
Expected return	181	168
Actuarial Gain/(Loss) on plan assets	(39)	24
Closing fair value of plan assets	2,101	1,959

	Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
e) Expected contribution to defined benefit plan for the year 2014 - 15	295	167

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

	Gratuity	
	31-Mar-14 %	31-Mar-13 %
Investments with insurer under:		
Funds managed by insurer	100	100

Notes to financial statements for the year ended 31st March 2014

29 | Retirement Benefits (Contd.)

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

	31-Mar-14	31-Mar-13
Discount rate	9.00%	8.10%
Expected rate of return on plan assets	9.25%	9.50%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Proportion of employees opting for early retirement	5% at younger ages and reducing to 1% at old age on graduated scale	5% at younger ages and reducing to 1% at old age on graduated scale

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.

h) Experience Adjustment

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Experience adjustments on plan liabilities (Gain)/Loss	12	15
Experience adjustments on plan assets (Gain)/Loss	39	24

Amounts for the current and previous four periods are as follows:

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-12 Rs. Lacs	31-Mar-11 Rs. Lacs	31-Mar-10 Rs. Lacs
Gratuity					
Defined benefit obligation	2,396	2,126	1,768	1,435	1,098
Plan assets	2,101	1,959	1,767	1,602	1,402
Surplus / (deficit)	(295)	(167)	(1)	167	304
Experience adjustments on plan liabilities	12	15	67	(138)	(143)

30 | Details of donations to political parties

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Bhartiya Janata Party	106	10
Nationalist Congress Party	10	-
Total	116	10

31 | Interest in a joint venture

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, 2013 is as under:

	31-Mar-13 Rs. Lacs	31-Mar-12 Rs. Lacs
Assets	292	318
Liabilities	136	180
Income	254	252
Expenses	247	245

Notes to financial statements for the year ended 31st March 2014

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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.738 lacs (Previous Year: Rs 939 lacs) though overall, there is no impact on the aggregate of Reserves and Surplus of the Company.

33 | Segment information

1. Information about Primary Business Segments (Rs. lacs)

Particulars	31-Mar-14				31-Mar-13			
	Agro Activity	Non Agro Activity	Unallocated	Total	Agro Activity	Non Agro Activity	Unallocated	Total
Revenue								
External	451,418	43,530	1,879	496,827	351,987	41,319	638	393,944
Inter segment	(37,025)	37,025	-	-	(21,638)	21,638	-	-
Total revenue	414,393	80,555	1,879	496,827	330,349	62,957	638	393,944
Segment Results				-				-
Contribution	88,162	(1,687)	-	86,475	52,264	2,576	-	54,840
Add: Inter segment profit	(5,813)	5,813	-	-	(3,713)	3,713	-	-
Total segment results	82,349	4,126	-	86,475	48,551	6,289	-	54,840
Unallocated expenses net of unallocated income	-	-	-	4,910	-	-	-	14,986
Interest	-	-	-	24,329	-	-	-	10,132
Exceptional items	-	-	-	1,986	-	-	-	-
Profit before taxation	-	-	-	55,250	-	-	-	29,722
Provision for taxation :								
Current	-	-	-	11,591	-	-	-	7,930
Mat credit entitlement	-	-	-	(558)	-	-	-	-
Deferred	-	-	-	2,644	-	-	-	940
Tax effect of earlier years	-	-	-		-	-	-	39
Net profit after tax	-	-	-	41,573	-	-	-	20,813
Other information								
Segment assets	341,046	40,898	326,308	708,252	353,604	34,332	313,654	701,590
Segment liabilities	139,496	2,710	235,282	377,488	96,003	2,132	267,686	365,821
Capital expenditure	18,166	6,485	8,988	33,639	22,749	1,592	2,633	26,974
Depreciation	6,640	4,132	659	11,431	5,454	3,567	1,039	10,060
Amortisation	5,319	5	154	5,478	5,623	-	93	5,716
Non cash expenses other than depreciation	333	163	-	496	2,982	245	260	3,487

Notes to financial statements for the year ended 31st March 2014

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

	Current Year			Previous Year		
	India	Outside India	Total	India	Outside India	Total
Revenue by Geographical Market						
External	214,196	282,631	496,827	173,627	220,317	393,944
Carrying amount of Segment Assets	610,724	97,528	708,252	556,245	145,345	701,590
Additions to Fixed Assets (including Intangible assets)	39,575	-	39,575	13,883	-	13,883

3. **Notes**

(1) The business of the Company is divided into two business segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Agro activity – This is the main area of the Company's operation and includes the manufacture and marketing of conventional agrochemical products, seeds and other agricultural related products.

b) Non-agro activity – Non agro activities includes manufacture and marketing of industrial chemical and other non agricultural related products.

(2) Segment Revenue in the above segments includes sales of products net of taxes.

(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 a reasonable basis.

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

(a) Relationship:

(i) Name of the Subsidiary Companies:

UPL Limited, Mauritius (formerly known as Uniphos Limited)	UPL Investment Private Limited
UPL Colombia S.A.S	Agrindustrial, S.A., Spain
UPL Limited Korea (formerly known as United Phosphorus (Korea) Limited)	Agrodan, ApS
United Phosphorus (Shanghai) Company Limited	Anning Decco Fine Chemical Co. Limited, China
United Phosphorus (Taiwan) Limited	Bio-win Corporation Limited, Mauritius
United Phosphorus Cayman Limited	Canegrass LLC, USA
United Phosphorus de Mexico, S.A. de C.V.	Cerexagri B.V. - Netherlands
United Phosphorus do Brasil Ltda	UPL Costa Rica S.A (formerly known as Cerexagri Costa Rica, S.A.)
United Phosphorus GMBH, Germany	Cerexagri Delaware, Inc.,USA
United Phosphorus Holdings B.V., Netherlands	Cerexagri Italia S.R.L.
United Phosphorus Holdings Cooperatief U.A.	Cerexagri S.A.S., France
United Phosphorus Inc., U.S.A.	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey
UPL Australia Limited (formerly known as United Phosphorus Limited)	Cerexagri, Inc. (PA)
United Phosphorus Limited, Belgium S P R L	Citrashine (Pty) Ltd, South Africa
United Phosphorus Limited, Gibraltar	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain
UPL Limited, Hongkong (formerly known as United Phosphorus Limited)	Decco Iberica Postcosecha, S.A.U., Spain (formerly Cerexagri Iberica)
United Phosphorus Limited, Japan	Decco Italia SRL,Italy
UPL New Zealand Limited (formerly known as United Phosphorus Limited)	Decco US Post-Harvest Inc (US)

Notes to financial statements for the year ended 31st March 2014

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United Phosphorus Limited, U.K.	Decco Worldwide Post-Harvest Holdings B.V.
United Phosphorus Polska Sp.z o.o - Poland	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.
United Phosphorus Switzerland Limited.	Desarrollo Quimico Industrial, S.A., Spain (DEQUISA S.A.)
United Phosphorus Vietnam Co., Limited	Friedshelf 1114 (Pty) Ltd
Global Chem Trade Corp., Panama (Dissolved on January 1, 2013)	Safepack Products Limited, Israel
Icona S A - Argentina	Samrod Chemicals (Pty) Ltd
Icona Sanluis S A - Argentina	Shroffs United Chemicals Limited
Jiangsu Kaznam Chemical Group.,Panama (Dissolved on March 18, 2013)	SWAL Corporation Limited
JSC United Phosphorus Limited, Russia	Transterra Invest, S. L. U., Spain
Optima Farm Solutions Limited (acquired during the year)	RiceCo International Inc., Bahamas
Phosfonia, S.L.,Spain	UPL Limited, Gibraltar (formerly known as Uniphos Limited)
PT Catur Agrodaya Mandiri, Indonesia	Decco Jefkins Mexico Sapi, Mexico
PT. United Phosphorus Indonesia	UPL Aviation Limited
United Phosphorus Holding, Brasil B.V.	United Phosphorus Indústria e Comércio de Produtos Químicos Ltda. Brazil
RiceCo LLC	Uniphos Indùstria e Comércio de Produtos Químicos Ltda. Brazil
Upl do brasil Industria e Comércio de Insumos Agropecuários S.A.	Neo-Fog S.A. (acquired during the year)
DVA Technology Argentina S.A.	JPB Courtage S.A.R.L. (acquired during the year)
United Phosphorous Bolivia S.R.L	AgriChem B.V
Decco Chile SpA	AgriChem Heivelia GmbH.
UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve ticaret A.S.	AgriChem Polska Sp Z.O.O.
UPI Finance LLC	Agricultural Chemicals N.V.
United Phosphorous Corp. Philippines	Aspen Holdings SAS
United Phosphorous Global LLP	Aspen SAS
United Phosphorous (India) LLP	SD Agchem (Netherlands) B.V.
Pro Long Limited	Blue Star BV
(ii) Name of other related parties with whom transactions have taken place during the year	
a) Associate Companies:	Sanguine Holdings Private Limited
Advanta Limited (formerly known as Advanta India Limited)	Tatva Global Enviroment Limited
Advanta Semilas SAIC, Argentina	Tatva Global Environment (Deonar) Limited
Chemisynth (Vapi) Limited	Ultima Search
Kerala Enviro Infrastructure Limited	Uniphos International Limited
Pacific Seeds Pty Limited, Australia	Uniphos Enterprises Limited
Unicorn Seeds Private Limited	UPL Environmental Engineers Limited
Sipcam UPL Brasil S.A.	Vikram Farm
b) Joint Venture Companies:	Accolade Properties Private Limited (Upto September 27, 2012)
United Phosphorus (Bangladesh) Limited.	Sadafuli Finvest Private Limited (Upto September 27, 2012)
c) Enterprises over which key management personnel and their relatives have significant influence:	**d) Key Management Personnel and their relatives :**
Bharuch Enviro Infrastructure Limited	Whole Time Directors and their relatives
Bloom Packaging Private Limited	Mr. Rajnikant.D. Shroff
Bloom Seal Containers Private Limited	Mrs. Sandra R. Shroff *
Daman Ganga Pulp and Papers Private Limited	Mr. Kalyan Banerjee
Demuric Holdings Private Limited	Mr. Jaidev R. Shroff
Enviro Technology Limited	Mr. Arun C. Ashar
Uniphos Envirotronic Private Limited	Mr. Vikram R. Shroff *
Jai Research Foundation	Mrs. Namrata Shroff *
Jai Trust	Mrs. Shilpa Sagar *
Nerka Chemicals Private Limited	Mrs. Asha Ashar *
Pot Plants	Mr. Navin Ashar *

* Relatives of Key management personnel.

Notes to financial statements for the year ended 31st March 2014

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

RELATIONSHIP	SUBSIDARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
NATURE OF TRANSACTIONS:	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
1 INCOME										
(A) SALES:										
(i) GOODS	**236,062**	**183,342**	**2,755**	**3,880**	**133**	**110**	**561**	**646**	**239,511**	**187,978**
Bio-win Corporation Limited	30,165	24,681	-	-	-	-	-	-	30,165	24,681
United Phosphorus Limited, Gibraltar	107,311	-	-	-	-	-	-	-	107,311	-
SWAL Corporation Limited	27,994	26,527	-	-	-	-	-	-	27,994	26,527
Uniphos Ltd. - Gibraltar	-	83,103	-	-	-	-	-	-	-	83,103
United Phosphorus do Brasil Ltda	38,330	27,181	-	-	-	-	-	-	38,330	27,181
Others	32,262	21,850	2,755	3,880	133	110	561	646	35,711	26,486
(ii) FIXED ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18**	**-**	**18**
Bharuch Enviro Infrastructure Ltd	-	-		-	-	-	-	18	-	18
(B) DIVIDEND RECEIVED	**11,250**	**544**	**-**	**-**	**-**	**-**	**-**		**11,250**	**544**
Bio-win Corporation Limited	11,250	544	-	-	-	-	-	-	11,250	544
(C) MANAGEMENT FEES / OTHER SERVICES	**-**	**-**	**-**	**-**	**-**	**-**	**447**	**581**	**447**	**581**
Tatva Global Environment Ltd.	-	-	-	-	-	-	358	506	358	506
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	67	56	67	56
Others	-	-	-	-	-	-	22	19	22	19
(D) QUANTITY DISCOUNT RECEIVED	**-**	**-**	**-**	**-**	**-**	**-**	**99**	**126**	**99**	**126**
Uniphos International Limited	-	-	-	-	-	-	-	126	-	126
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	99	-	99	-
(E) RENT RECEIVED	**-**	**-**	**-**	**-**	**-**	**-**	**39**	**25**	**39**	**25**
Uniphos Envirotronic Pvt. Ltd.	-	-	-	-	-	-	39	24	39	24
Others	-	-	-	-	-	-	-	1	-	1
2 EXPENSES										
(A) PURCHASES										
(i) GOODS	**10,439**	**7,482**	**1,293**	**1,095**	**-**	**-**	**4,826**	**2,576**	**16,558**	**11,153**
Advanta Limited	-	-	-	1,095	-	-	-	-	-	1,095
UPL Limited, Hong Kong	6,716	4,302	-	-	-	-	-	-	6,716	4,302
Cerexagri S.A.S	2,877	1,285	-	-	-	-	-	-	2,877	1,285
Bloom Seal Containers Pvt Ltd, Vapi	-	-	-	-	-	-	2,367	1,382	2,367	1,382
Others	846	1,895	1,293	-	-	-	2,459	1,194	4,598	3,089

Notes to financial statements for the year ended 31st March 2014

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

RELATIONSHIP	SUBSIDARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
NATURE OF TRANSACTIONS:	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(ii) FIXED ASSETS	132	91	-	54	-	-	1,335	32	1,467	177
Dequisa S.A.	132	91	-	-	-	-	-	-	132	91
Chemiesynth (Vapi) Ltd	-	-	-	54	-	-	-	-	-	54
UPL Environmental Eng. Ltd.	-	-	-	-	-	-	1,327	4	1,327	4
Others	-	-	-	-	-	-	8	28	8	28
(iii) INTANGIBLE ASSETS	1,500	3	-	-	-	-	1,009	412	2,509	415
Jai Research Foundation	-	-	-	-	-	-	1,009	412	1,009	412
Bio-win Corporation Limited	410	-	-	-	-	-	-	-	410	-
UPL UK	969	-	-	-	-	-	-	-	969	-
Others	121	3	-	-	-	-	-	-	121	3
(iv) INTANGIBLE ASSETS - UNDER-DEVELOPMENT	1,883	-	-	-	-	-	-	-	1,883	-
Bio-win Corporation Limited	1,883	-	-	-	-	-	-	-	1,883	-
(v) OTHERS	-	-	-	-	-	-	21	21	21	21
Vikram Farm	-	-	-	-	-	-	21	21	21	21
(B) SERVICES	-	-	1	7	-	-	4,018	3,314	4,019	3,321
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	3,877	3,189	3,877	3,189
Others	-	-	1	7	-	-	141	125	142	132
(C) RENT	-	-	169	169	-	-	33	345	202	514
Advanta Limited	-	-	169	169	-	-	-	-	169	169
Sadafuli Finvest Pvt. Ltd	-	-	-	-	-	-	-	154	-	154
Accolade Properties Pvt Ltd.	-	-	-	-	-	-	-	160	-	160
Others	-	-	-	-	-	-	33	31	33	31
(D) COMMISSION ON EXPORTS	12,630	5,902	-	-	-	-	-	2	12,630	5,904
Bio-win Corporation Limited	12,235	5,801	-	-	-	-	-	-	12,235	5,801
Others	395	101	-	-	-	-	-	2	395	103
(E) ROYALTY	-	-	877	889	-	-	-	-	877	889
Advanta Limited	-	-	877	889	-	-	-	-	877	889
(F) RESEARCH & DEVELOPMENT EXPENSES	-	-	562	1,538	-	-	-	-	562	1,538
Advanta Limited	-	-	562	1,538	-	-	-	-	562	1,538
(G) CAPITAL ADVANCE	-	20	-	-	-	-	-	1,000	-	1,020

Notes to financial statements for the year ended 31st March 2014

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

	RELATIONSHIP	SUBSIDARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
	NATURE OF TRANSACTIONS:	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
	UPL Environmental Engineers Ltd	-	-	-	-	-	-	-	1,000	-	1,000
	Others		20	-	-	-	-	-	-	-	20
3	**TRANSFER OF SECURITY DEPOSITS FROM**	**-**	**-**	**1**	**2**	**-**	**-**	**-**	**-**	**1**	**2**
	Advanta Limited	-	-	1	2	-	-	-	-	1	2
4	**TRANSFER OF CUSTOMER BALANCES FROM**	**-**	**-**	**2**	**15**	**-**	**-**	**-**	**-**	**2**	**15**
	Advanta Limited	-	-	2	15	-	-	-	-	2	15
5	**TRANSFER OF LIABILITY TO**	**-**	**823**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**823**
	United Phosphorus Limited, Gibraltar	-	823	-	-	-	-	-	-	-	823
6	**FINANCE**										
(A)	**LOAN / INTER CORPORATE DEPOSITS GIVEN**	**27,039**	**13,160**	**4,000**	**2,650**	**-**	**-**	**10,949**	**11,886**	**41,988**	**27,696**
	Bio-win Corporation Limited	24,339	-	-	-	-	-	-	-	24,339	-
	Uniphos Enterprises Limited	-	-	-	-	-	-	-	9,395	-	9,395
	SWAL Corporation Limited	2,700	13,160	-	-	-	-	-	-	2,700	13,160
	Tatva Global Environ. Ltd.			-	-	-	-	10,949	1,441	10,949	1,441
	Others	-	-	4,000	2,650	-	-	-	1,050	4,000	3,700
(B)	**INTEREST PAID**	**-**	**-**	**-**	**-**	**-**	**-**	**2**	**4**	**2**	**4**
	Demuric Holdings Pvt Ltd	-	-	-	-	-	-	2	4	2	4
(C)	**INTEREST RECEIVED**	**5,226**	**5,071**	**1,207**	**874**	**-**	**-**	**319**	**1,043**	**6,752**	**6,988**
	Bio-win Corporation Limited	4,290	4,253	-	-	-	-	-	-	4,290	4,253
	Advanta Limited	-	-	1,207	874	-	-	-	-	1,207	874
	Uniphos Enterprises Limited	-	-	-	-	-	-	-	749	-	749
	SWAL Corporation Limited	935	817	-	-	-	-	-		935	817
	Others	1	1	-	-	-	-	319	294	320	295
(D)	**PURCHASE OF SHARES/ NCD/ COMMERCIAL PAPERS/ CAPITAL CONTRIBUTION**	**-**	**-**	**-**	**3,875**	**-**	**-**	**-**	**9,870**	**-**	**13,745**
	Advanta Limited	-	-	-	3,800	-	-	-	-	-	3,800
	Demuric Holding Pvt. Ltd.	-	-	-	-	-	-	-	9,870	-	9,870
	Others	-	-	-	75	-	-	-	-	-	75
(E)	**ALLOTMENT OF BONDS**	**-**	**1,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,500**
	UPL Investment Private Limited	-	1,500	-	-	-	-	-	-	-	1,500

Notes to financial statements for the year ended 31st March 2014

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

RELATIONSHIP		SUBSIDIARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
NATURE OF TRANSACTIONS:		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(F)	**SALE/REDEMPTION OF SHARES/NCD/ COMMERCIAL PAPERS**	**-**	**-**	**9,299**	**4,431**	**-**	**-**	**-**	**-**	**9,299**	**4,431**
	Advanta Limited	-	-	9,299	4,431	-	-	-	-	9,299	4,431
(G)	**LOANS / INTER COMPANY DEPOSITS TAKEN DURING THE YEAR**	**-**	**-**	**-**	**-**	**-**	**-**	**900**	**-**	**900**	**-**
	Demuric Holdings Pvt Ltd	-	-	-	-	-	-	900	-	900	-
(H)	**REPAYMENT OF LOAN GIVEN**	**22,470**	**33,267**	**4,000**	**2,650**	**-**	**-**	**10,949**	**13,467**	**37,419**	**49,384**
	Bio-win Corporation Limited	15,270	27,307	-	-	-	-	-	-	15,270	27,307
	SWAL Corporation Limited	7,200	5,960	-	-	-	-	-	-	7,200	5,960
	Uniphos Enterprise Limited	-	-	-	-	-	-	-	9,395	-	9,395
	Advanta Limited	-	-	4,000	-	-	-	-	-	4,000	-
	Tatva Global Environ Ltd.	-	-	-	-	-	-	10,949	-	10,949	-
	Others	-	-	-	2,650	-	-	-	4,072	-	6,722
(I)	**REPAYMENT OF LOAN TAKEN**	**-**	**-**	**-**	**-**	**-**	**-**	**900**	**179**	**900**	**179**
	Demuric Holdings Pvt Ltd	-	-	-	-	-	-	900	179	900	179
	Others	-	-	-	-	-	-	-	-	-	-
7 (A)	**REIMBURSMENTS RECEIVED**	**559**	**147**	**-**	**11**	**-**	**-**	**30**	**51**	**589**	**209**
	Bio-win Corporation Limited	232	46	-	-	-	-	-	-	232	46
	SWALCorporation Limited	81	86	-	-	-	-	-	-	81	86
	United Phosphorus Limited, Gibraltar	244	-	-	-	-	-	-	-	244	-
	Uniphos Enterprises Limited	-	-	-	-	-	-	-	30	-	30
	Others	2	15	-	11	-	-	30	21	32	47
(B)	**REIMBURSEMENTS MADE**	**167**	**211**	**241**	**352**	**-**	**3**	**2**	**79**	**410**	**645**
	United Phosporus Limited, Japan	148	94	-	-	-	-	-	-	148	94
	Cerexagri B.V.	3	69	-	-	-	-	-	-	3	69
	Advanta Limited	-	-	241	348	-	-	-	-	241	348
	Sadafuli Finvest Pvt. Ltd	-	-	-	-	-	-	-	78	-	78
	Others	16	48	-	4	-	3	2	1	18	56
8	**OUTSTANDING AT THE YEAR END**										
(A)	**PAYABLES**	**21,479**	**12,115**	**89**	**605**	**-**	**-**	**131**	**207**	**21,699**	**12,927**
	Bio-win Corporation Limited	13,383	4,988	-	-	-	-	-	-	13,383	4,988
	United Phosphorus Limited, Hong Kong	4,345	3,722	-	-	-	-	-	-	4,345	3,722

Notes to financial statements for the year ended 31st March 2014

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

RELATIONSHIP		SUBSIDARIES		ASSOCIATES		JOINT VENTURE		ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL HAVE SIGNIFICANT INFLUENCE		GRAND TOTAL	
NATURE OF TRANSACTIONS:		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
	Advanta Limited	-	-	-	530	-	-	-	-	-	530
	Others	3,751	3,405	89	75	-	-	131	207	3,971	3,687
(B)	**RECEIVABLE**	**87,560**	**135,190**	**2,102**	**2,687**	**34**	**25**	**704**	**52**	**90,400**	**137,954**
	Bio-win Corporation Limited	11,219	21,980	-	-	-	-	-	-	11,219	21,980
	UPL Limited.- Gibraltar	35,268	67,030	-	-	-	-	-	-	35,268	67,030
	United Phosphorus Do Brasil Ltd	20,930	26,709	-	-	-	-	-	-	20,930	26,709
	Others	20,143	19,471	2,102	2,687	34	25	704	52	22,983	22,235
(C)	**LOANS AND ADVANCES GIVEN**	**158,167**	**140,857**	**-**	**-**	**-**	**-**	**-**	**-**	**158,167**	**140,857**
	Bio-win Corporation Limited	155,459	133,651	-	-	-	-	-	-	155,459	133,651
	Others	2,708	7,206	-	-	-	-	-	-	2,708	7,206
(D)	**INTEREST RECEIVABLE**	**1,076**	**1,684**	**301**	**465**	**-**	**-**	**106**	**102**	**1,483**	**2,251**
	Bio-win Corporation Limited	1,074	948	-	-	-	-	-	-	1,074	948
	Advanta Limited	-	-	301	465	-	-	-	-	301	465
	SWAL Corporation Limited	-	735	-	-	-	-	-	-	-	735
	Others	2	1	-	-	-	-	106	102	108	103
(E)	**MANAGEMENT FEES RECEIVABLE**	**-**	**-**	**-**	**-**	**-**	**-**	**290**	**270**	**290**	**270**
	Tatva Global Environment Limited	-	-	-	-	-	-	260	251	260	251
	Others	-	-	-	-	-	-	30	19	30	19
(F)	**GUARANTEES GIVEN ON BEHALF OF COMPANIES.**	**317,481**	**245,119**	**29,958**	**27,143**	**-**	**-**	**-**	**-**	**347,439**	**272,262**
	Bio-win Corporation Limited	204,828	154,369	-	-	-	-	-	-	204,828	154,369
	Others	112,653	90,750	29,958	27,143	-	-	-	-	142,611	117,893
(G)	**DEPOSIT GIVEN**	**-**	**-**	**-**	**-**	**-**	**-**	**507**	**510**	**507**	**510**
	Bloom Packaging Private Limited	-	-	-	-	-	-	75	75	75	75
	Daman Ganga Pulp & Papers	-	-	-	-	-	-	400	400	400	400
	Others	-	-	-	-	-	-	32	35	32	35
(H)	**CAPITAL ADVANCES GIVEN**	**-**	**19**	**-**	**-**	**-**	**-**	**-**	**1,000**	**-**	**1,019**
	UPL Environmental Engineers Limited	-	-	-	-	-	-	-	1,000	-	1,000
	Others	-	19	-	-	-	-	-	-	-	19

Notes to financial statements for the year ended 31st March 2014

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(c) Transactions with Directors and their Relatives

NATURE OF TRANSACTIONS	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Remuneration	1,237	1,317
Rent Paid	156	155
Professional Fees	13	13
Outstandings as at the Balance Sheet Date:		
Remuneration Payable	425	309
Sundry Deposits given	53	53
Professional Fees Payable/(Receivable)	2	1

34.1 | Details of loans and advances in the nature of loans given to subsidiaries and associates and firms/companies in which directors are interested

Nature of Relationship	April 2013 - March 2014 (Rs. in lacs)		April 2012 - March 2013 (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	155,459	169,566	133,651	161,639
SWAL Corporation Limited	2,700	7,200	7,200	9,300
Advanta Limited	-	4,000	-	2,650

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

35 | Contingent liabilities

	Particulars	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(a)	Disputed Income-Tax Liability (excluding interest)	1,143	179
(b)	Disputed Excise Duty / Service Tax liability (excluding interest)	12,754	10,253
(c)	Disputed Sales Tax liability	2,869	2,512
(d)	Disputed Custom Duty liability	3,558	3,558
(e)	Disputed Fiscal Penalty for cancellation of licences	3,348	3,348
(f)	Disputed penalty levied by Competition Commission of India for Cartelization of prices	25,244	25,244
(g)	Disputed penalty on Water Tax	161	161
(h)	Bills discounted under Letter of Credit and remaining unpaid at the date of the balance sheet	207	602
(i)	Corporate guarantees given on behalf of subsidiary companies:		
(i)	United Phosphorus Limited, U.K.	21,772	18,256
(ii)	United Phosphorus Limited, Hong Kong	5,093	4,614
(iii)	United Phosphorus Inc. USA	7,325	6,636
(iv)	United Phosphorus Inc. USA/ Decco US Post Harvest	1,498	1,357
(v)	UPL Columbia SAS	-	2,171
(vi)	United Phosphorus Limited, Australia	5,392	1,900
(vii)	Bio-Win Corporation Limited, Mauritius	204,828	154,369
(viii)	Cerexagri Italia, SRL, Italy	13,576	8,336
(ix)	Ceraxagri SAS., France	18,102	13,893

Notes to financial statements for the year ended 31st March 2014

35 | Contingent liabilities (Contd.)

Particulars		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(x)	Ceraxagri B.V., Netherlands	18,925	14,587
(xi)	Icona S.A. Argentina	11,983	10,857
(xii)	United Phosphorus Cayman Ltd, Cayman Islands	8,987	8,143
(xiii)	Advanta Limited	29,958	27,143
(j)	Claims against the Company not acknowledged as debts	502	489

36 | Commitments

(a)

Particulars	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	12,951	3,613

(b) Arrangement with Advanta Limited

The Company has entered into a Licence Agreement effective from 2nd April 2012 with Advanta Limited to obtain technical know-how for commercial exploitation, development, use and sale of the Licenced Products and use of brands. In consideration thereof, the Company will pay a royalty at the rate of 7 % of net sales revenue of the Licenced Products subject to a minimum royalty of Rs 700 lacs p.a. Further, Advanta Limited shall carry out research and development activity, as agreed, in connection with the Licenced Products and the Company will pay an amount as may be agreed between both the parties at the commencement of each year.

(c) The Company has undertaken an export obligation of 6 to 8 times the duty saved on CIF machinery imported by the Company to be fulfilled over a period of 6 to 8 years. The obligation outstanding as on the date of the balance sheet is Rs.5,820 lacs (Previous Year: Rs. 5,899 lacs)

37 | Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
The principle amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	111.41	-
Interest due on above	0.40	-
Total	**111.81**	**-**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	419.97	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.40	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of MSMED Act, 2006.	-	-

Notes to financial statements for the year ended 31st March 2014

38 | Derivative instruments and unhedged foreign currency exposure

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

Nature of Instrument	31-Mar-14		31-Mar-13	
	Currency	Amount outstanding (in '000)	Amount outstanding (in '000)	Purpose - Hedging/ Speculation
1) Forward contract - Sell	USD	4,000	34,000	Hedging
Forward contract - Sell	EUR	4,119	-	Hedging
2) Derivative contracts				
Full Currency Interest Rate Swap contracts - payable	USD	233,853	233,853	Hedging
	EURO	25,667	-	Hedging
3) Un-hedged Foreign Currency balances:				
(i) Payable	USD	149,614	176,726	
	EUR	3,160	12,648	
	GBP	202	187	
	JPY	128	5,252	
	AUD	-	1	
(ii) Receivable	USD	394,150	398,461	
	EUR	34,591	68,418	
	AUD	1,815	1,711	
	GBP	10	-	
	AED	18	-	

39 | Consumption of Raw Materials, Components and Spare Parts

	31-Mar-14		31-Mar-13	
	Rs.Lacs	Percentage	Rs.Lacs	Percentage
A. Raw Materials:				
(including cost raw material sold)				
Imported	125,492	62	106,829	62
Indigenous	75,966	38	64,505	38
TOTAL	201,458	100	171,334	100
B. Components and Spare Parts:				
Imported	58	2	92	3
Indigenous	3,547	98	2,811	97
TOTAL	3,605	100	2,903	100

40 | Value of imports calculated on CIF basis

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Raw materials	111,962	90,935
Traded Goods	51,499	22,410
Components and spare parts	58	92
Capital goods	1,765	4,114
	165,284	**117,551**

Notes to financial statements for the year ended 31st March 2014

41 | Expenditure in foreign currency (accrual basis)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Commision on export sales	13,010	6,334
Foreign travelling expenses	653	697
Interest and bank charges	1,470	749
Legal and professional charges	379	493
Product registration and data access fees	275	255
Freight and forwarding charges	7,593	6,776
Others	771	1,192
	24,151	**16,496**

42 | Earnings in Foreign Exchange (on accrual basis)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Exports of goods calculated on F.O.B. basis [including exports through Export Houses: Rs. 6,077 lacs (Previous Year: Rs.3,095 lacs)]	278,337	218,843
Interest	4,290	4,253
Dividend	11,250	544
Others	244	70
	294,121	**223,710**

43 | Net dividend remitted in foreign exchange

Year of remittance (ending on)	**31-Mar-14**	**31-Mar-13**
Period to which it relates	2012-13	2011-12
Number of non-resident shareholders		
Interim dividend	-	121
Final dividend	114	119
Number of equity shares held on which dividend was due		
Interim dividend	-	217,715
Final dividend	204,965	212,385
Face value per share (Rs.)	2	2
Amount remitted (in Rs. Lacs)		
Interim dividend	-	4
Final dividend	5	1

44 | Operating leases

Lease rent debited to statement of profit and loss is Rs. 4,161 lacs (Previous Year: Rs. 3,740 lacs)

There is no contingent rent recognised in the statement of profit and loss.

General description of the leasing arrangement:

The Company has entered into operating lease arrangements for its vehicles, machinery, office premises, storage locations and residential premises. There are no non-cancellable lease.

45 | Research & Development

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Research and Development costs, as certified by the Management, debited to statement of Profit and Loss.		
a) Revenue expenses debited to appropriate heads of account.	2,397	3,087
b) Depreciation on Research and Development Assets	109	98

Notes to financial statements for the year ended 31st March 2014

46 | Capitalization of expenditure

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Employee cost & other expenses	157	133
Finance costs	1,113	1,138
	1,270	**1,271**

47 | Dividend Distribution Tax

During the year ended March 31, 2013, the Company had made provision for dividend distribution tax (DDT) amounting to Rs.1,881 Lacs. During the current year, the Company has received dividend from its foreign subsidiary company which is eligible to be set off while calculating dividend distribution tax on payment of dividend by the Company. After this set off, no DDT is payable by the company and accordingly the aforesaid provision of DDT of Rs.1,881 Lacs has been written back to surplus in the statement of profit & loss.

48 | Foreign Exchange Management Act

In January 2013, the Company has received a show cause notice from the Directorate of Enforcement, alleging that the Company has contravened certain provisions of Foreign Exchange Management Act, 1999 with regard to foreign direct investment made and utilisation of proceeds of FCCB / ECB.

The management has replied to the show cause notice and has had personal hearings to represent their matter and has filed written submissions. The matter is pending before the authority and based on internal assessment, the management believes that no liability would arise in respect of the aforesaid matter.

49 | Previous year figures

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

As per our attached report of even date

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

M. B. Trivedi
Company Secretary

Place: Mumbai
Date: 25th April, 2014

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies

Sr. No.	Name of the Subsidiary Company	Financial Year	Refer *(Remark No.)	No. of Shares held by UPL Ltd. in the Subsidiary Company at 31.03.2014 (for Blanks Refer Remark No.)	% holding in Subsidiary Company	Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :		Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :	
						Not dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Not dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013	Dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013
1	Shroffs United Chemicals Limited, India	31/03/2014		50,007 Shares	100	Rs. 107,264	Rs. 105,077	-	-
2	SWAL Corporation Limited, India	31/03/2014		1,000,007 Shares	100	Rs. 87,221,000	Rs. 109,501,195	-	-
3	United Phosphorus (India) LLP, India	31/03/2014	1		95	Rs. 40,539	Rs. 48,146	-	-
4	United Phosphorus Global LLP, India	31/03/2014	1		95	Rs. 53,528	Rs. 51,477	-	-
5	Optima Farm Solutions Limited	31/03/2014	42			Rs. (792,133)	-		
6	United Phosphorus Limited, U.K.	31/03/2014	2		-	Pounds 2, 540,000	Pounds 1, 485,000	-	-
7	United Phosphorus GMBH - Germany	31/03/2014	3		-	EUR 744,901	EUR 572,922	-	-
8	AgriChem B.V.	31/03/2014	38			EUR 1,836,000	EUR 1,330,000	-	-
9	SD Agchem (Netherlands) B.V.	31/03/2014	5		-	EUR (148,168)	EUR (121,861)	-	-
10	Agricultural Chemicals N.V.(Refer Note : 1)	31/03/2014	-			EUR 5,000	EUR 176,354	-	-
11	AgriChem Helvetia GmbH.((Refer note : 2)	31/03/2014	-			CHF (12,620)	CHF 1,663	-	-
12	AgriChem Polska Sp.Z.O.O.	31/03/2014	39			PLN 109,480	PLN (116,226)	-	-
13	United Phosphorus Polska Sp.z o.o - Poland	31/03/2014	3		-	PLN (76,215)	PLN (86,624)	-	-
14	Cerexagri B.V. - Netherlands	31/03/2014	5		-	EUR (3,544,000)	EUR 1,402,000	-	-
15	United Phosphorus Holdings Cooperatief U.A.	31/03/2014	6		-	EUR (98,557)	EUR (120,544)	-	-
16	United Phosphorus Holdings B.V., Netherlands	31/03/2014	7		-	EUR 806,800	EUR (535,951)	-	-
17	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	31/03/2014	8		-	EUR (5,277)	EUR (8,131)	-	-
18	Decco Worldwide Post-Harvest Holdings B.V.	31/03/2014	9		-	EUR (784,558)	EUR (569,535)	-	-
19	United Phosphorus Holding Brazil B.V.	31/03/2014	5		-	EUR (470,056)	EUR (3,360,221)	-	-
20	Desarrollo Quimico Industrial, S.A., Spain((Refer Note : 3)	31/03/2014	-		-	-	-	-	-
21	Cerexagri Italia S.R.L.	31/03/2014	5		-	EUR 102,304	EUR 435,224	-	-
22	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain	31/03/2014	12,A		-	EUR 623,046	EUR 448,176	-	-
23	Agrindustrial, S.A., Spain ((Refer Note : 3)	31/03/2014	-		-	-	-	-	-
24	Phosfonia, S.L.,Spain	31/03/2014	13,A		-	-	-	-	-
25	Decco Iberica Postcosecha, S.A.U., Spain	31/03/2014	14		-	EUR 662,348	EUR (113,920)	-	-
26	Transterra Invest, S. L. U., Spain	31/03/2014	3		-	EUR (382,948)	EUR (897,099)	-	-
27	Cerexagri S.A.S.	31/03/2014	3		-	EUR 2,346,000	EUR 442,000	-	-
28	Neo-Fog S.A.	31/03/2014	11			EUR 214,902	-		
29	JPB Courtage S.A.R.L.	31/03/2014	11			EUR 215,001			
30	Aspen SAS	31/03/2014	37			EUR (30)	-	-	-
31	Aspen Holding SAS	31/03/2014	3			EUR (255)	EUR (300)	-	-
32	United Phosphorus Switzerland Limited.	31/03/2014	7		-	CHF (16,540)	CHF (1,276)	-	-

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies (Contd.)

Sr. No.	Name of the Subsidiary Company	Financial Year	Refer *(Remark No.)	No. of Shares held by UPL Ltd. in the Subsidiary Company at 31.03.2014 (for Blanks Refer Remark No.)	% holding in Subsidiary Company	Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :		Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :	
						Not dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Not dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013	Dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013
33	Agrodan, ApS	31/03/2014	3		-	DKK 401,906	DKK 437,056	-	-
34	United Phosphorus Limited, Belgium S P R L	31/03/2014	3		-	EUR (10,146)	EUR (9,658)	-	-
35	Decco Italia SRL,Italy	31/03/2014	14		-	EUR 228,872	EUR 17,551	-	-
36	JSC United Phosphorus Limited, Russia	31/03/2014	3		-	Rbls (16,301,962)	Rbls 5,268,499	-	-
37	United Phosphorus Inc., U.S.A. & Subsidiaries	31/03/2014	3,B		-	US $ 8,408,000	US $ 8,760,000	-	-
38	UPI Finance LLC	31/03/2014	32,B		-	-	-	-	-
39	Cerexagri, Inc. (PA)	31/03/2014	33,B		-	-	-	-	-
40	Cerexagri Delaware, Inc.,USA	31/03/2014	32,B		-	-	-	-	-
41	Canegrass LLC, USA	31/03/2014	16,B		-	-	-	-	-
42	Decco US Post-Harvest Inc (US)	31/03/2014	14		-	US$ 1,800,128	US$ 1,108,270	-	-
43	Riceco LLC	31/03/2014	32,B		-	-	-	-	-
44	Riceco International Inc	31/03/2014	35		-	US $ 10,701,000	US $ 8,291,000	-	-
45	Bio-win Corporation Limited, Mauritius	31/03/2014		836,000 shares	100	US $ 40,199,333	US $ 26,326,732	US $ 19,000,000	US $ 1,000,000
46	UPL Limited, Mauritius (formerly known as Uniphos Limited,Mauritius)	31/03/2014	2		-	US $ 30,996,627	US $ 36,441,789	-	-
47	United Phosphorus Limited, Gibraltar	31/03/2014	35		-	US$ 12,696,705	US$ 18,379,674	-	-
48	UPL Limited,Gibraltor (formerly known as Uniphos Limited, Gibraltor)	31/03/2014	25			US $ 57,630,892	US $ 51,440,328	-	-
49	United Phosphorus de Mexico, S.A. de C.V.	31/03/2014	19		-	Mex. Pesos 4,120,759	Mex. Pesos 10,871,351	-	-
50	Decco Jifkins Mexico Sapi	31/03/2014	29		-	Mex. Pesos 901,969	Mex. Pesos (468,821)	-	-
51	United Phosphorus do Brasil Ltda	31/03/2014	40		-	BRL 83,000	BRL 108,000	-	-
52	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	31/03/2014	20		-	BRL 16,644,000	BRL (37,952,000)	-	-
53	United Phosphorus Indústria E Comércio de Produtos Químicos Ltda.	31/03/2014	21		-	BRL 26,083,000	BRL(7,278,000)	-	-
54	UPL do Brasil Industria e Comércio de Insumos Agropecuários S.A.	31/03/2014	22,C		-	BRL 7,643,000	BRL (1,611,000)	-	-
55	UPL Costa Rica S.A (formerly known as Cerexagri Costa Rica, S.A.)	31/03/2014	17		-	CRC (536,967,053)	CRC (137,223,467)	-	-
56	UP Bolivia S.A.	31/03/2014	30		-	BOB. (1,865,727)	BOB. (993,372)	-	-
57	Icona Sanluis S A - Argentina	31/03/2014	18		-	ARS 1,130,557	ARS 767,250	-	-
58	DVA Technology Argentina	31/03/2014	23,C		-	-	-	-	-
59	Icona S A - Argentina	31/03/2014	28		-	ARS (71,950,230)	ARS (17,859,106)	-	-
60	Decco Chile SpA	31/03/2014	14		-	CLP. 47,086,214	CLP. (35,968,248)	-	-
61	UPL Colombia S.A.S	31/03/2014	41		-	COP. (3,616,564,000)	COP. (1,068,736,063)	-	-

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies (Contd.)

Sr. No.	Name of the Subsidiary Company	Financial Year	Refer *(Remark No.)	No. of Shares held by UPL Ltd. in the Subsidiary Company at 31.03.2014 (for Blanks Refer Remark No.)	% holding in Subsidiary Company	Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :		Net aggregate of Profits / (Losses) of the Subsidiary company so far as it concerns the members of the company :	
						Not dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Not dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013	Dealt within the accounts of UPL Limited for the subsidiary Company's financial year ended as on 31.03.2014	Dealt within the accounts of UPL Limited for the previous financial years of the subsidiary company as on 31.03.2013
62	United Phosphorus Cayman Limited	31/03/2014	2		-	US $ 1,776,096	US $ 5,449,214	-	-
63	UP Aviation Limited	31/03/2014	35		-	US $ 1,040,158	US $ 1,185,075	-	-
64	UPL Australia Limited (formerly known as United Phosphorus Limited,Australia)	31/03/2014	2		-	AUS $ 23,009	AUS $ 298,175	-	-
65	UPL New Zealand Limited (formerly known as United Phosphorus Limited, New zealand)	31/03/2014	2		-	NZD 74,442	NZD 39,511	-	-
66	United Phosphorus (Shanghai) Company Limited	31/03/2014	36,E		-	-	-	-	-
67	UPL Limited Korea (Formerly known as United Phosphorus (Korea) Limited)	31/03/2014	15		-	Won 363,823,171	Won 46,651,451	-	-
68	United Phosphorus (Taiwan) Limited	31/03/2014	2		-	TWD (69,187)	TWD (311,927)	-	-
69	PT. United Phosphorus Indonesia	31/03/2014	4		-	IDR 232,442,915	IDR (1,353,453,109)	-	-
70	PT Catur Agrodaya Mandiri, Indonesia	31/03/2014	34		-	IDR (2,297,790,399)	IDR (2,455,267,365)	-	-
71	UPL Ltd, Hong Kong (formerly known as United Phosphorus Limited,Hong Kong)	31/03/2014	2,E		-	US $ 2,340,495	US $ 1,456,470	-	-
72	United Phosphorus Corp. Philippines	31/03/2014	5		-	PHP. 2,750,646	PHP. (423,451)	-	-
73	United Phosphorus Vietnam Co., Limited	31/03/2014	2		-	VND 10,811,667,000	VND 20,685,098,000	-	-
74	United Phosphorus Limited, Japan	31/03/2014	2		-	Yen 25,698,439	Yen (16,211,074)	-	-
75	Anning Decco Fine Chemical Co. Limited, China	31/03/2014	27		-	RMB 74,754	RMB 1,806,294	-	-
76	UPL Agromed Tohumculuk Sanayi ve Ticaret	31/03/2014	26		-	TRY 1,554,054	TRY 2,665,448	-	-
77	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey	31/03/2014	31		-	TRY (861,610)	TRY 3,259,291	-	-
78	Safepack Products Limited	31/03/2014	14		-	ILS 2,017,000	ILS 3,259,000	-	-
79	Citrashine (Pty) Ltd, South Africa	31/03/2014	14		-	ZAR 4,341,207	ZAR 774,089	-	-
80	Friedshelf 1114 (Pty) Ltd	31/03/2014	10		-	-	ZAR (1,543,859)	-	-
81	Prolong Limited	31/03/2014	24,D		-	ILS (26,000)	ILS (302,000)	-	-
82	Blue star BV	31/03/2014	43			EUR (32,131)	-	-	-
83	United Phosphorus Holding, Brazil Plus B.V.(Refer Note : 1)	31/03/2014	-		-	-	EUR (9,001)	-	-
84	Global Chem Trade Corp., Panama (Refer Note :1)	31/03/2014	-		-	-	US $ (4,307,176)	-	-
85	Eddyville Consultants Group, Inc. Panama (Refer Note :1)	31/03/2014	-		-	-	US $ (140,423)	-	-
86	United Phosphorus Limited de Guatemala (Refer Note : 1)	31/03/2014	-		-	-	-	-	-
87	Jiangsu Kaznam Chemical Group.,Panama (Refer Note :1)	31/03/2014	-		-	-	US $ 9,966	-	-
88	Samrod Chemicals (Pty) Ltd (Refer Note : 1)	31/03/2014	-		-	-	ZAR (81,461)	-	-

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies (Contd.)

Remarks:

1 95 % shares of the Company are held by United Phosphorus Limited, India and 5% shares of the Company are held by SWAL Corporation Limited,India

2 All the shares of the Company are held by Bio-win Corporation Limited.

3 All the shares of the Company are held by United Phosphorus Limited, U.K.

4 51% shares of the Company are held by UPL Ltd, Hong Kong (formerly known as United Phosphorus Limited,Hong Kong) and 49% shares of the Company are held by Bio-win Corporation Limited.

5 All the shares of the Company are held by United Phosphorus Holdings B.V.

6 99.90% shares of the Company are held by Bio-win Corporation Limited and 0.10% shares of the Company are held by UPL Limited, Mauritius (formerly known as Uniphos Limited,Mauritius)

7 All the shares of the Company are held by United Phosphorus Holdings Cooperatief U.A.

8 99.99% shares of the Company are held by Bio-win Corporation Limited and 0.1% shares of the Company are held by UPL Limited, Mauritius (formerly known as Uniphos Limited,Mauritius)

9 All the shares of the Company are held by Decco Worldwide Post-Harvest Holdings Cooperatief U.A.

10 All the shares of the Company are held by Citrashine (Pty) Ltd, South Africa.

11 All the shares of the Company are held by Blue Star B.V.

12 All the shares of the Company are held by Transterra Invest, S. L. U.

13 All the shares of the Company are held by Compania Espanola Industrial Quimica de Productos Agricolas y Domesticos, S.A.

14 All the shares of the Company are held by Decco Worldwide Post-Harvest Holdings B.V.

15 99% shares of the Company are held by Bio-win Corporation Limited and 1% shares of the Company are held by UPL Limited, (Formerly Known as United Phosphorus Limited).

16 70% shares of the company are held by United Phosphorus Inc.

17 All the shares of the Company are held by Cerexagri B.V.

18 All the shares of the Company are held by Icona SA.

19 99.05% shares of the Company are held by Bio-win Corporation & 0.95% shares of the Company are held by United Phosphorus Limited, UK.

20 All the shares of the Company are held by United Phosphorus Holding, Brazil B.V.

21 All the shares of the Company are held by Uniphos Empreendimentos E Participações Ltda,Brazil.

22 46.61% shares of the company are held by Uniphos Industria e Comercio de Produtos Quimicos Ltda. & 26.39% by United Phosphorus Indústria E Comércio de Produtos Químicos Ltda.

23 All the shares of the Company are held by UPL do Brasil Industria e Comércio de Insumos Agropecuários S.A.

24 50% shares of the company are held by Safepack Products Limited.

25 All the shares of the Company are held by United Phosphorus Switzerland Limited

26 51% shares of the company are held by United Phosphorus Holdings Cooperatief U.A.

27 55% shares of the Company are held by Decco Worldwide Post-Harvest Holdings B.V.

28 68% shares of the Company are held by United Phosphorus Limited, UK and 32% shares of the Company are held by Transterra Invest.

29 51% shares of the Company are held by Decco Worldwide Post-Harvest Holdings B.V.

30 95% shares of the Company are held by Transterra Invest, S. L. U. and 5% shares of the Company are held by Icona S.A. - Argentina

31 99% shares of the Company are held by Cerexagri B.V. and 1% shares of the Company are held by Cerexagri S.A

32 All the shares of the company are held by United Phosphorus Inc.

33 All the shares of the Company are held by Cerexagri Delaware, Inc.

34 93.38 % shares of the Company are held by Bio-win Corporation Limited & 6.62 % by UPL Australia Limited (formerly known as United Phosphorus Limited,Australia)

35 All the shares of the Company are held by UPL Limited, Mauritius (formerly known as Uniphos Limited, Mauritius)

FINANCIAL YEAR : 2013 - 2014
Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies (Contd.)

36 All the shares of the Company are held by UPL Ltd, Hong Kong (formerly known as United Phosphorus Limited,Hong Kong).

37 All the shares of the Company are held by Cerexagri S.A.S.,France

38 All the shares of the Company are held by SD Agrichem (Netherlands) B.V.

39 All the shares of the Company are held by Agrichem B.V.

40 99% shares of the Company are held by Bio-win Corporation Limited and 1% shares of the Company are held by United Phosphorus Inc., U.S.A.

41 88.94% shares of the Company are held by Transterra Invest, S. L. U., Spain, and 5.53% by United Phosphorus Limited, U.K.shares and 5.53% by Bio-win Corporation Limited, Mauritius.

42 All the shares of the Company are held by SWAL Corporation Limited,India.

43 51% shares of the Company are held by Decco Worldwide Post-Harvest Holdings B.V. and 49% shares of the Company are held by United Phosphorus Holdings B.V.

A Compania Espanola Industrial Quimica de Productos Agricolas y Domesticos, S.A. results include the results Phosfonia, S.L.

B United Phosphorus Inc., U.S.A. results include the results of Cerexagri Delaware, Inc.; Cerexagri Inc. and Canegrass LLC, Riceco LLC & UPI Finance LLC.

C UPL do Brasil Industria e Comércio de Insumos Agropecuários S.A. results include the result DVA Technology Argentina

D Safepack Products Ltd . results includes result of Prolong Ltd

E UPL Ltd, Hong Kong (formerly known as United Phosphorus Limited,Hong Kong) results include the results of United Phosphorus (Shanghai) Company Limited

Note:

1 Subsidiaries Disolved current/previous the year.

2 During the year, AgriChem Helvetia GmbH. got merged in United Phosphorus Switzerland Limited

3 During the year, Desarrollo Quimico Industrial, S.A., Spain & Agrindustrial, S.A., Spain got merged with Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain

R.D.Shroff
Chairman & Managing Director

Place: Mumbai
Date: 25th April, 2014

A.C.Ashar
Whole-time Director

M. B. Trivedi
Company Secretary

Consolidated Financial Statement

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of UPL Limited
(formerly known as United Phosphorus Limited)

We have audited the accompanying consolidated financial statements of UPL Limited ("the Company") and its subsidiaries, associates and the joint venture companies (together referred to as 'the Group') which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit inaccordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, based on our audit and on consideration of reports of the auditors on separate financial statements and on the other financial information of the components, the 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, 2014;

(b) in the case of the consolidated Statement of Profit and Loss, 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.

Other Matter

We did not audit the financial statements of certain subsidiaries and joint ventures, 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. 741,783 Lacs as at March 31, 2014 and the total revenue from operations of Rs. 645,906 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 and joint ventures 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.

For S.V. Ghatalia & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 103162W

per Sudhir Soni
Partner
Membership Number: 41870
Place: Mumbai
Date: April 25, 2014

Consolidated Balance Sheet as at 31st March 2014

	Notes	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	8,572	8,852
Reserves and surplus	4	516,170	455,670
		524,742	**464,522**
Minority Interest		17,207	23,423
Non-current liabilities			
Long-term borrowings	5	225,428	281,232
Deferred tax liabilities	13	18,067	11,703
Other long-term liabilities	6	31,088	39,454
Long-term provisions	7	5,298	5,140
		279,881	**337,529**
Current liabilities			
Short-term borrowings	8	60,668	111,470
Trade payables		269,397	209,945
Other current liabilities	9	102,440	72,383
Short-term provisions	7	31,510	26,034
		464,015	**419,832**
TOTAL		**1,285,845**	**1,245,306**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	164,656	132,171
Intangible assets	11	217,437	216,750
Capital work-in-progress		12,283	24,509
Intangible assets under development		10,494	13,253
Non-current investments	12	73,728	74,145
Deferred tax assets	13	9,940	13,008
Long-term loans and advances	14	40,030	26,909
Trade receivables	15.1	1,189	812
		529,757	**501,557**
Current assets			
Current investments	16	-	28,370
Inventories	17	248,007	206,870
Trade receivables	15.1	320,846	268,499
Cash and bank balances	18	102,278	154,823
Short-term loans and advances	14	75,946	77,930
Other current assets	15.2	9,011	7,257
		756,088	**743,749**
TOTAL		**1,285,845**	**1,245,306**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors of
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2014

Consolidated Statement of Profit and Loss for the year ended 31st March 2014

	Notes	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Income			
Revenue from operations (net)	19	1,077,088	918,570
Other income	20	13,135	10,737
Total revenue		1,090,223	929,307
Expenses			
Cost of material and components consumed		544,080	468,736
Employee benefits expense		94,687	85,262
Other expenses	21	236,363	199,131
Total		875,130	753,129
Profit before interest, tax, depreciation and amortization, exceptional items, prior period adjustments and taxation		215,093	176,178
Depreciation and amortization expense	22	40,694	35,372
Finance costs	23	48,660	42,896
Profit before exceptional item, prior period adjustments and taxation		125,739	97,910
Prior period adjustments	24	1,555	2,018
Exceptional items	25	8,530	1,504
Profit before taxation		115,654	94,388
Tax expenses			
Current tax		12,012	22,134
Minimum alternative tax credit entitlement		(558)	-
Tax effect of earlier year		225	(84)
Deferred tax		10,490	(1,733)
Total tax expense		22,169	20,317
Profit after tax but before minority interest for the year		93,485	74,071
Minority interest		715	(156)
Profit after tax and minority interest for the year		92,770	74,227
Profit from associates		3,039	3,835
Prior period adjustments-associate		-	(368)
Exceptional items-associate (Refer Note: 30)		(830)	(234)
Net profit for the year		94,979	77,460
Earnings per equity share	29		
Basic and diluted earning per share after exceptional items (Rs.)		21.59	17.12
Basic and diluted earning per share before exceptional Items (Rs.)		23.72	17.51
Face value per share (Rs.)		2.00	2.00
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

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Partner
Membership no.: 41870

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Anand Vora
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2014

Consolidated Cash Flow Statement for the year ended 31st March 2014

Sr. No	Particulars	For the Year ended 31st March, 2014 (Rs. Lacs)	For the Year ended 31st March, 2014 (Rs. Lacs)	For the Year ended 31st March, 2013 (Rs. Lacs)	For the Year ended 31st March, 2013 (Rs. Lacs)
A	**Cash Flow from Operating Activities**				
	Profit Before Taxation, Prior Period And Exceptional Items		125,739		97,910
	Adjustments for:				
	Depreciation & Amortization expense	40,694		35,372	
	Finance Costs	48,660		42,896	
	Provision for Doubtful Debts and Advances	1,582		11,517	
	Assets written off	557		561	
	Bad Debts Written Off	7,667		1,008	
	Provisions for Diminution in Value of Long-Term Investments (net)	(7)		70	
	(Profit) / Loss on sale of assets (net)	(475)		(2,530)	
	Interest Income	(5,301)		(5,204)	
	Manufacturing Expenses Capitalised	(157)		(132)	
	Excess Provisions in respect of earlier years Written Back (net)	(2,616)		(1,674)	
	Profit on sale/ liquidation of subsidiaries	-		(67)	
	Sundry Credit balances written back	(1980)		(742)	
	Net gain on Sale of Current Investments	(3,789)		(1,613)	
			84,835		79,462
	Operating Profit before Working Capital Changes		210,574		177,372
	Adjustments for :				
	Decrease / (increase) in inventories	(40,952)		(11,142)	
	Decrease / (increase) in trade receivables	(63,658)		(26,102)	
	Decrease / (increase) in other current assets	(2,021)		967	
	Decrease / (increase) in long term & short term loans & advances	(5,215)		(8,613)	
	(Decrease) / increase in trade payables	61,505		56,677	
	(Decrease) / increase in long term & short term provisions	1,491		1,684	
	(Decrease) / increase in other liabilities	9,149		(3,038)	
			(39,701)		10,433
	Cash Generated from Operations		170,873		187,805
	Taxes (Paid) / Refund		(17,577)		(14,384)
	Cash Flow Before Prior Period & Exceptional Items		153,296		173,421
	Exceptional Items		(7,530)		(1,504)
	Prior Period Adjustments		(1,555)		(1,994)
	Net Cash from Operating Activities		144,211		169,923
B	**Cash flow from Investing Activities**				
	Purchase of Fixed Assets including CWIP and Capital advances		(57,744)		(47,618)
	Sale of Fixed Assets		1,107		3,046
	Acquisition of Subsidiaries		(1,804)		(2,654)
	Proceeds from sale of Subsidiaries		-		72
	Acquisition/Investment in Associates		-		(2,597)
	Payment of contingent consideration (Refer Note 41(B)(i))		(9,956)		-
	Purchase of Investments		(8)		(21,840)
	Sale of Investments		17,919		4,462
	Sundry Loans (net)		2,982		(20,767)
	Fixed deposit and margin money		(121)		(72)
	Income from Current Investment		248		1,522
	Interest Income		5,569		4,975
	Net cash used in Investing activities		(41,808)		(81,471)

Consolidated Cash Flow Statement for the year ended 31st March 2014

Sr. No	Particulars	For the Year ended 31st March, 2014 (Rs. Lacs)	For the Year ended 31st March, 2014 (Rs. Lacs)	For the Year ended 31st March, 2013 (Rs. Lacs)	For the Year ended 31st March, 2013 (Rs. Lacs)
C	**Cash Flow from Financing Activities**				
	Borrowings(Net)		(84,986)		63,716
	Interest paid and other financial charges		(42,673)		(33,790)
	Dividend paid to Minority Shareholders by subsidiary		(1,050)		(928)
	Dividends Paid		(11,021)		(11,475)
	Tax on distributed Profits		-		(1,869)
	Buyback of shares		(28,258)		(22,348)
	Expenses on buy back of shares		(143)		(109)
	Bond/Notes/Debenture Issue Expenses		-		(396)
	Net Cash used in Financing Activities		(168,131)		(7,199)
D	**Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve**		(1,252)		(972)
	Net Increase/(decrease) in Cash and Cash Equivalents (A +B + C+D)		(66,980)		80,281
	Cash and Cash Equivalents as at the Beginning of the Year		168,502		82,269
	Add: Cash and Cash Equivalents on acquisition of subsidiaries		314		5,952
	Cash and Cash Equivalents as at the Close of the Year		101,836		168,502

*Bank Balances include unclaimed dividend of Rs. 264 Lacs (Previous year Rs. 220 lacs) which are not available for use by the Group as they represent corresponding unpaid dividend liability.

Note :

Cash and Cash Equivalents as at the year end includes:

	2014	2013
Cash and Bank Balances as per Balance sheet *	**102,278**	154,823
Less: in Fixed Deposit account	**42**	40
Less: Margin Money	**400**	281
	101,836	154,502
Add: Short-term investments	**-**	14,000
	101,836	168,502

As per our Report of even date

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors of
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2014

Notes to Consolidated financial statements for the year ended 31st March 2014

1 | Corporate information

UPL Limited (formerly known as United Phosphorus Limited, (the Company)) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company and its subsidiaries are engaged in the business of agrochemicals, industrial chemicals, chemical intermediates and speciality chemicals.

1.1 | Basis of preparation

The consolidated financial statements have been prepared to comply in all material aspects with applicable accounting principles in India (Indian GAAP), the applicable Accounting Standards notified under section 211(3C) of Companies Act, 1956 and section 133 of the Companies Act, 2013 read with general circular dated 12th September, 2013 and the relevant provisions thereof.

All assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act,1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/ noncurrent classification of assets and liabilities.

2 | Consolidation:

(a) The consolidated financial statements comprise of the financial statements of UPL Limited (hereinafter referred to as "the Holding Company") its subsidiaries, associates and joint venture companies (hereinafter referred as "the Group") other than joint venture company referred to in note 2(b) below.

(b) Proportionate consolidation in respect of investment in Joint Venture Company, United Phosphorus Limited, Bangladesh has not been considered in the consolidated financial statements, the effect of which is not expected to be material to the Group.

(c) UPL Investment Private Limited, a subsidiary of Holding Company as per the definition under the Companies Act, 1956, incorporated in India has been considered as an associate as per the definition of Accounting Standard (AS)-23 Accounting for investment in associates in consolidated financial statement.

(d) The list of subsidiaries, associates and joint venture 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	31.03.2014 % of Group Holding	31.03.2013 % of Group Holding
1	Shroffs United Chemicals Limited		India	100%	100%
2	SWAL Corporation Limited		India	100%	100%
3	United Phosphorus (India) LLP		India	100%	100%
4	United Phosphorus Global LLP		India	100%	100%
5	Optima Farm Solutions Limited	@	India	100%	0%
6	United Phosphorus Limited		United Kingdom	100%	100%
7	United Phosphorus GMBH		Germany	100%	100%
8	United Phosphorus Polska Sp.z o.o		Poland	100%	100%
9	AgriChem B.V.		Netherlands	100%	100%
10	SD Agchem (Netherlands) B.V.		Netherlands	100%	100%
11	Agricultural Chemicals N.V.	#	Belgium	100%	100%
12	AgriChem Polska Sp.Z.O.O.		Poland	100%	100%
13	AgriChem Helvetia GmbH.,	#1	Switzerland	100%	100%
14	Cerexagri B.V.		Netherlands	100%	100%
15	Blue Star B.V.		Netherlands	100%	100%
16	United Phosphorus Holdings Cooperatief U.A.		Netherlands	100%	100%
17	United Phosphorus Holdings B.V.		Netherlands	100%	100%
18	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.		Netherlands	100%	100%
19	Decco Worldwide Post-Harvest Holdings B.V.		Netherlands	100%	100%
20	United Phosphorus Holding, Brazil B.V.		Netherlands	100%	100%

Notes to Consolidated financial statements for the year ended 31st March 2014

Sr. No.	Name of the Subsidiary		Country of Incorporation	31.03.2014 % of Group Holding	31.03.2013 % of Group Holding
21	Desarrollo Quimico Industrial, S.A.	#2	Spain	100%	100%
22	Cerexagri Italia S.R.L.		Italy	100%	100%
23	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.		Spain	100%	100%
24	Agrindustrial, S.A.	#2	Spain	100%	100%
25	Phosfonia, S.L.		Spain	100%	100%
26	Decco Iberica Postcosecha, S.A.U.		Spain	100%	100%
27	Transterra Invest, S. L. U.		Spain	100%	100%
28	Cerexagri S.A.S.		France	100%	100%
29	Neo-Fog S.A.	@	France	100%	0%
30	JPB Courtage S.A.R.L.	@	France	100%	0%
31	Aspen S.A.S		France	100%	100%
32	Aspen Holding S.A.S		France	100%	100%
33	United Phosphorus Switzerland Limited		Switzerland	100%	100%
34	Agrodan, ApS		Denmark	100%	100%
35	United Phosphorus Limited, Belgium S P R L		Belgium	100%	100%
36	Decco Italia SRL		Italy	100%	100%
37	JSC United Phosphorus Limited		Russia	100%	100%
38	United Phosphorus Inc.		USA	100%	100%
39	UPI Finance LLC		USA	100%	100%
40	Cerexagri, Inc. (PA)		USA	100%	100%
41	Cerexagri Delaware, Inc.		USA	100%	100%
42	Canegrass LLC		USA	70%	70%
43	Decco US Post-Harvest Inc		USA	100%	100%
44	RiceCo LLC		USA	100%	100%
45	Riceco International, Inc.		Bahamas	100%	100%
46	Bio-win Corporation Limited		Mauritius	100%	100%
47	UPL Limited, (formerly known as Uniphos Limited)		Mauritius	100%	100%
48	United Phosphorus Limited		Gibraltar	100%	100%
49	UPL Limited, (formerly known as Uniphos Limited)		Gibraltar	100%	100%
50	United Phosphorus de Mexico, S.A. de C.V.		Mexico	100%	100%
51	Decco Jifkins Mexico Sapi		Mexico	51%	51%
52	United Phosphorus do Brasil Ltda		Brazil	100%	100%
53	Uniphos Indústria e Comércio de Produtos Químicos Ltda.		Brazil	100%	100%
54	United Phosphorus Indústria e Comércio de Produtos Químicos Ltda.		Brazil	100%	100%
55	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A. (Refer note 42(a))		Brazil	73%	51%
56	DVA Technology Argentina S.A.		Argentina	73%	51%
57	UPL Costa Rica S.A (formerly known as Cerexagri Costa Rica, S.A.)		Costa Rica	100%	100%
58	United Phosphorus Bolivia S.R.L		Bolivia	100%	100%
59	Icona Sanluis S A		Argentina	100%	100%
60	Icona S A		Argentina	100%	100%
61	Decco Chile SpA		Chile	100%	100%
62	UPL Colombia S.A.S		Colombia	100%	100%

Notes to Consolidated financial statements for the year ended 31st March 2014

Sr. No.	Name of the Subsidiary		Country of Incorporation	31.03.2014 % of Group Holding	31.03.2013 % of Group Holding
63	United Phosphorus Cayman Limited		Cayman Islands	100%	100%
64	UP Aviation Limited		Cayman Islands	100%	100%
65	UPL Australia Limited (formerly known as United Phosphorus Limited)		Australia	100%	100%
66	UPL New Zealand Limited (formerly known as United Phosphorus Limited)		New Zealand	100%	100%
67	United Phosphorus (Shanghai) Company Limited		China	100%	100%
68	UPL Limited Korea (formerly known as United Phosphorus (Korea) Limited)		Korea	100%	100%
69	United Phosphorus (Taiwan) Limited		Taiwan	100%	100%
70	PT. United Phosphorus Indonesia		Indonesia	100%	100%
71	PT Catur Agrodaya Mandiri		Indonesia	100%	100%
72	UPL Ltd (formerly known as United Phosphorus Limited)		Hong Kong	100%	100%
73	United Phosphorus Corp		Philippines	100%	100%
74	United Phosphorus Vietnam Co., Limited		Vietnam	100%	100%
75	United Phosphorus Limited, Japan		Japan	100%	100%
76	Anning Decco Fine Chemical Co. Limited		China	55%	55%
77	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi		Turkey	100%	100%
78	UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve Ticaret A.S.		Turkey	51%	51%
79	Safepack Products Limited		Israel	100%	100%
80	Citrashine (Pty) Ltd		South Africa	100%	100%
81	Friedshelf 1114 (Pty) Ltd	#3	South Africa	100%	100%
82	Pro Long Limited		Israel	50%	50%

@ Subsidiaries acquired during the year

Subsidiary dissolved during the year

#1 During the year, AgriChem Helvetia GmbH., was merged in United Phosphorus Switzerland Limited

#2 During the year, Desarrollo Quimico Industrial, S.A. and Agrindustrial, S.A. were merged in Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.

#3 During the year, Friedshelf 1114 (Pty)Ltd was merged in Citrashine (Pty) Ltd

Notes to Consolidated financial statements for the year ended 31st March 2014

II Associates

Sr. No.	Associate Companies			Country of Incorporation	31.03.2014 % of Group Holding	31.03.2013 % of Group Holding
1	Advanta Limited (formerly known as Advanta India Limited)			India	49.80%	49.81%
2	Advanta Finance B.V.	#	Advanta Group	Netherlands	*	*
3	Advanta International B.V.	#	Advanta Group	Netherlands	*	*
4	Advanta Netherlands Holding B.V.		Advanta Group	Netherlands	*	*
5	Advanta Semillas SAIC		Advanta Group	Argentina	*	*
6	Advanta Holdings B.V.		Advanta Group	Netherlands	*	*
7	Advanta Seeds International		Advanta Group	Mauritius	*	*
8	Pacific Seeds Holdings (Thai) Limited		Advanta Group	Thailand	*	*
9	Pacific Seeds (Thai) Limited		Advanta Group	Thailand	*	*
10	Pacific Seeds Pty Limited		Advanta Group	Australia	*	*
11	Advanta US Inc.		Advanta Group	USA	*	*
12	Advanta Comercio De Sementes LTDA.		Advanta Group	Brazil	*	*
13	Advanta Seeds Limited	##	Advanta Group	India	*	*
14	Longreach Plant Breeders Management Pty Limited		Advanta Group	Australia	**	**
15	PT Advanta Seeds Indonesia		Advanta Group	Indonesia	*	*
16	Advanta (B.V.I) Ltd		Advanta Group	British Virgin Islands	*	*
17	SIPCAM UPL Brasil S.A.			Brazil	50.00%	50.00%
18	Agrinet Solutions Limited			India	49.98%	49.98%
19	Kerala Enviro Infrastructure Limited			India	27.52%	27.52%
20	UPL Investment Private Limited			India	66.67%	66.67%
21	Nedab ApS	@		Denmark	0.00%	50.00%
22	Kapchem (Ireland) Limited			Ireland	50.00%	50.00%
23	Polycoat Technologies 2010 Ltd			Israel	20.00%	20.00%

* These are 100% Subsidiaries of Advanta Limited.

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

During the year, Advanta Finance B.V. and Advanta International B.V. were merged in Advanta Holdings B.V.

During the year, Advanta Seeds Limited was dissolved.

@ During the year, Nedab ApS ceased to be an associate of the Group from October 4, 2013.

III Joint Venture

Sr. No.	Joint Venture Company	Country of Incorporation	31.03.2014 % of Group Holding	31.03.2013 % of Group Holding
1	Hodogaya UPL Co. Limited	Japan	40.00%	40.00%

(e) 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 and joint venture company's like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits / losses on intra-group transactions.

Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Notes to Consolidated financial statements for the year ended 31st March 2014

(f) Investments in entities in which the Group has significant influence but not a controlling interest, are reported according to the equity method i.e. the investment is initially recorded at cost. Cost of investment in associates, over the net assets at the time of acquisition of the investment in the associates is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill is tested for impairment annually. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Group's share of net assets of the associates. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the associate

(g) The financial statements of each of the subsidiary, associate and joint venture, other than Advanta Group, SIPCAM UPL Brasil S.A., Polycoat Technologies 2010 Ltd. and Kapchem (Ireland) Limited are drawn upto the same reporting date i.e year ended March 31, 2014, and have been used for the purpose of consolidation. The audited consolidated financial statements of Advanta Group for the year ended December 31, 2013 and audited financial statements of SIPCAM UPL Brasil S.A, Polycoat Technologies 2010 Ltd. and Kapchem (Ireland) Limited for year ended December 31, 2013 have been used for the purpose of consolidation.

(h) 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 financial statements 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 company have been followed. (Refer Note No. 2.1 below)

(i) 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 monthly average rate of exchange.

   (3) Exchange difference arising on translation of financial statements as specified above is recognised in the Foreign Currency Translation Reserve.

(j) Goodwill arising on consolidation is tested for impairment as at the balance sheet date.

2.1 | 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 any company in the Group, the same, as disclosed in the audited financial statements of the said company, has been reproduced, if material.

(a) Tangible fixed assets and depreciation:

1) Tangible 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.

2) Depreciation:

(i) Leasehold land :

UPL Limited

No depreciation is provided for 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 / with 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.

(iii) Other Assets :

The Company uses the same rates of depreciation for all the subsidiaries and joint venture companies other than the following assets in various companies

Notes to Consolidated financial statements for the year ended 31st March 2014

Sr. No.	Name of the Company and Description of Assets	Method	Useful Life of Assets/ Depreciation rates	Proportion to Gross Block
1.	UPL Limited (formerly known as United Phosphorus Limited)			
	Gas Turbine Engine in Power Plant	S.L.M.	16.67%	0.55%
	Membrane used in Caustic Chlorine Plant	S.L.M.	20.00%	0.29%
	Hot Section in Power Plant	S.L.M.	33.33%	0.29%
	Other Assets	*	*	52.11%
2.	Cerexagri B.V., Netherlands			11.52%
	Buildings	S.L.M.	18–30 Years	
	Machinery and Equipment	S.L.M.	10–15 Years	
	Other Assets	S.L.M.	3–10 Years	
3.	Cerexagri S.A.S., France			8.68%
	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	
4.	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.			3.81%
	Buildings	S.L.M.	4%	
	Machinery and Equipment	S.L.M.	10%	
	Vehicles	S.L.M.	20%	
	Furniture and Fixtures	S.L.M.	10%	
	Computers and Peripherals	S.L.M.	20%	
	Leasehold Improvements	S.L.M.	4%	
	Communication Equipment	S.L.M.	20%	
	Facilities	S.L.M.	4%	
5.	United Phosphorus Limited, U.K.			2.97%
	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	
6	UP Aviation Limited			2.11%
	Aircraft	S.L.M.	7.70%	
7	AgriChem B.V.			2.23%
	Buildings	S.L.M.	5 Years	
	Machinery and Equipments	S.L.M.	5 - 10 Years	
	Other Assets	S.L.M.	5 years	
8.	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.			1.59%
	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 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.

Notes to Consolidated financial statements for the year ended 31st March 2014

(b) Intangible Assets and Amortisation:

1) Intangible Assets:

Intangible assets are stated at cost less accumulated amortisation.

2) 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) Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(d) 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 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 which approximates the actual cost. Cost of finished goods includes excise duty, as applicable.

Approximately 96% of the total finished goods and semi-finished goods inventory as at March 31, 2014, has been valued on standard cost basis.

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

(e) Investments:

Presentation and Disclosure

Investments, which are readily realizable and intended to be held for not more than one year from balance sheet date are classified as current investments. All other investments are classified as non-current investments.

Recognition and Measurement

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are recognised as current investments. All other investments are recognised as long-term investments and 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 statement of profit and loss. Current investments are stated at lower of cost or fair value determined on individual investment basis.

Contingent Consideration / Additional payments in light of one or more future events are recognised when probable and can reasonably be estimated at the date of acquisition. In all other cases, the adjustment is recognised as soon as the amount is determinable.

(f) 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.

(g) Export Benefits:

UPL Limited :

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 benefit accrued under the Duty Drawback, Focus Market Scheme and other schemes as per the Import and Export Policy in respect of exports made under the said schemes is included as `Export Incentives' under the head `Other operating revenue'.

Notes to Consolidated financial statements for the year ended 31st March 2014

(h) 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 statement of profit and loss except for exchange differences arising on a monetary item which, in substance, form part of the Group'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 consolidated 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 statement 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.

(iii) Applicable net gain/loss on foreign currency loans given/taken, settlement gain/loss and mark to market losses on derivative contracts relating to borrowings are accounted under 'finance cost'.

(i) Derivative Instruments

As per the ICAI announcement, accouting 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 statement of profit and loss. Net gains are ignored.

(j) Retirement Benefits:

1. UPL Limited and SWAL Corporation Limited

(i) Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss 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 statement of profit and loss 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 statement of profit and loss.

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").

(ii) Actuarial gains/ losses are recognised immediately to the statement of profit and loss.

3. All other subsidiaries :

The companies contribute to a defined contribution plan which are charged to the statement of profit and loss as incurred.

(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.

Notes to Consolidated financial statements for the year ended 31st March 2014

(v) Dividend is recognised when the shareholder's right to receive payment is established by the balance sheet date.

(l) 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 capitalised when its future recoverability can reasonably be regarded as assured and is amortised over the period of expected future benefit.

(m) 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.

(n) 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 Statement of Profit and Loss 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.

(o) 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.

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.

(p) 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.

Notes to Consolidated financial statements for the year ended 31st March 2014

(q) Segment Reporting Policies

The Group's operative businesses are organized 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 Group operate. The Group 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 Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

(r) 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.

(s) Provisions

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow 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.

Notes to Consolidated financial statements for the year ended 31st March 2014

3 | Share capital

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Authorised shares		
1,27,50,00,000 (Previous Year: 1,27,50,00,000) 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
	40,000	40,000
Issued, subscribed and fully paid-up shares		
42,86,04,274 (Previous Year: 44,26,04,274) Equity Shares of Rs. 2 each fully paid-up	8,572	8,852
Total issued, subscribed and fully paid-up share capital	**8,572**	**8,852**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-14		31-Mar-13	
	No. Lacs	Rs. Lacs	No. Lacs	Rs. Lacs
At the beginning of the year	4,426	8,852	4,618	9,236
Buy-back during the year	(140)	(280)	(192)	(384)
Outstanding at the end of the year	4,286	8,572	4,426	8,852

(b) Terms/ rights attached to equity shares:

The Company has one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31st March, 2014, the amount of per share dividend recognised as distributions to equity sharehorders was Rs. 4 (31st March, 2013: Rs. 2.50)

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31-Mar-14 No. Lacs	31-Mar-13 No. Lacs
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	2,198
Equity shares bought back by the Company.	332	192

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	31-Mar-14		31-Mar-13	
	No. Lacs	% holding in the class	No. Lacs	% holding in the class
Nerka Chemicals Private Limited	986	23.01	986	22.28
Uniphos Enterprises Limited	253	5.91	253	5.72

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to Consolidated financial statements for the year ended 31st March 2014

(e) Buy-back of Shares

During the year, the Company has bought back a total of 1,40,00,000 (Previous Year 1,92,00,000) equity shares of Rs.2 each at a total consideration of Rs.28,258 Lacs (Previous Year: Rs. 22,349 lacs) (excluding brokerage, taxes and other charges). Accordingly, the face value of shares bought back amounting to Rs. 280 Lacs (Previous Year: Rs. 384 lacs) has been adjusted against share capital and the balance amount of Rs.27,978 Lacs (Previous Year: Rs. 21,964 lacs) and related expenses amounting to Rs.143 Lacs (Previous Year: Rs. 109 lacs) have been adjusted in securities premium. Further, during the current year in accordance with the notified section 69 of the Companies Act, 2013, the Company has transferred an amount of Rs. 280 Lacs, being a sum equal to nominal value of equity shares bought back, from surplus balance in the statement of profit and loss to capital redemption reserve.

4 | Reserves and surplus

		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
1	**Capital reserve**		
	Balance as per the last financial statements	15,660	16,176
	Less/(Add): Foreign exchange adjustment	(679)	694
	Add: Adjustment by associate Advanta Limited on account of amalgamation of its subsidiary, Unicorn Seeds Private Limited	-	68
	Add: Share of capital reserve created by associate Kerala Enviro Infrastructure Limited	-	110
	Less: Adjustment of capital reserve to goodwill (Refer note 11(2))	642	-
	Closing Balance	15,697	15,660
2	**Capital redemption reserve**		
	Balance as per the last financial statements	3,324	3,312
	Add: Transfer from surplus balance in the statement of profit and loss (Refer note 3(e))	280	
	Add: Adjustment by associate Advanta Limited on account of amalgamation of its subsidiary, Unicorn Seeds Private Limited	-	12
	Closing Balance	3,604	3,324
3	**Securities premium**		
	Balance as per the last financial statements	106,412	131,212
	Less: Adjustment on account of buy back of equity shares (Refer note 3 (e))	27,978	21,964
	Less: Expenses on buy back of equity shares (Refer note 3 (e))	143	109
	Less: Expenses incurred on issue of Debentures (net of tax)	-	268
	Less: Adjustment by associate Advanta Limited on account of amalgamation of its subsidiary, Unicorn Seeds Private Limited	-	2,459
	Closing Balance	78,292	106,412
4	**Debenture redemption reserve**		
	Balance as per the last financial statements	12,177	10,789
	Add: Amount transferred from surplus balance in the statement of profit and loss	5,761	4,763
	Less: Amount transferred to surplus balance in the statement of profit and loss	-	3,375
	Closing Balance	17,938	12,177
5	**General reserve**		
	Balance as per the last financial statements	179,850	177,332
	Add: Adjustment by associate Advanta Limited on account of amalgamation of its subsidiary, Unicorn Seeds Private Limited	-	18
	Add: Amount transferred from surplus balance in the statement of profit and loss	5,000	2,500
	Closing Balance	184,850	179,850
6	**Foreign Currency Translation Reserve**		
	Balance as per the last financial statements	(17,225)	(25,496)
	Add: Exchange difference in respect of non-integral foreign operation	11,781	8,271
	Closing Balance	(5,444)	(17,225)

Notes to Consolidated financial statements for the year ended 31st March 2014

4 | Reserves and surplus (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
7 **Surplus in the statement of profit and loss**		
Balance as per last financial statements	155,472	94,750
Add: Profit for the year	94,979	77,460
Add: Adjustment by associate Advanta Limited on account of amalgamation of its subsidiary, Unicorn Seeds Private Limited	-	71
Add: Debenture Redemption Reserve written back	-	3,375
Add: Excess provision of dividend distribution tax written back (Refer Note 40)	1,881	-
Less: Appropriations:		
Transfer to capital redemption reserve	280	-
Final Dividend on Equity Shares [net of excess provision of earlier year: Nil (Previous Year: 21)]	17,144	11,044
Tax on equity dividend [net of excess provision of earlier year: Nil (Previous Year: 4)]	2,914	1,877
Transfer to debenture redemption reserve	5,761	4,763
Transfer to general reserve	5,000	2,500
Total appropriations	31,099	20,184
Net surplus in the statement of profit and loss	221,233	155,472
Total reserves and surplus	516,170	455,670

5 | Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Debentures				
Unsecured Redeemable Non convertible Debentures	115,000	140,000	25,000	-
Less: Non-convertible Debentures bought back by the Holding Company pending extinguishment	(9,000)			
(Refer Note a below)				
Term loans				
Foreign currency loan from banks (Unsecured) (Refer Note b below)	118,278	139,133	22,513	23,217
Foreign currency loan from banks (Secured) (Refer Note c below)	948	1,700	1,126	4,154
From others (Unsecured) (Refer Note d below)	202	399	216	259
	225,428	281,232	48,855	27,630
The above amount includes				
Secured borrowings	948	1,700	1,126	4,154
Unsecured borrowings	224,480	279,532	47,729	23,476
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(48,855)	(27,630)
Net amount	225,428	281,232	-	-

Notes to Consolidated financial statements for the year ended 31st March 2014

5 | Long-term borrowings (Contd.)

a Unsecured Redeemable Non-Convertible Debentures

(i) NCDs amounting to Rs. 30,000 lacs (Previous Year: Rs. 30,000 lacs) have been issued under two series and are redeemable at par at the end of 10th year Rs. 15,000 lacs i.e. June, 2022 and 7th year Rs. 15,000 Lacs i.e. June, 2019 from the date of allotment. Out of the above NCDs amounting to Rs. 9,000 lacs have been bought back by the Company.

(ii) NCDs amounting to Rs. 25,000 lacs (Previous Year: Rs 25,000 lacs) are redeemable at par at the end of 15th year i.e. July 2026 from the date of allotment . The NCDs carry a call option at the end of 10th year from the date of allotment.

(iii) NCDs aggregating to Rs. 30,000 lacs (Previous Year: Rs 30,000 lacs) have been issued under four series and are redeemable at par of Rs 7,500 lacs each at the end of 12th year, 11th year, 9th year and 8th year i.e. October 2022, October 2021, October 2019 and October 2018 respectively from the date of allotment.

(iv) NCDs aggregating to Rs. 30,000 lacs (Previous Year: Rs. 30,000 lacs) have been issued in two series and are redeemable at par at the end of 10th year Rs. 15,000 lacs i.e. April 2020 and 7th year Rs. 15,000 lacs i.e. April 2017 from the date of allotment. The NCDs carry a call option at the end of 6th year i.e. April 2016 and 5th year i.e. April 2015 respectively from the date of allotment.

(v) NCDs amounting to Rs. 25,000 lacs (Previous Year: Rs 25,000 lacs) are redeemable at par at the end of 5th year i.e January, 2015 from the date of allotment.

(vi) NCDs mentioned above carry a coupon rate ranging from 9.50% to 10.70%.

b Foreign currency loan from banks (Unsecured)

(i) Unsecured loan from banks bears interest at the rate between LIBOR +2.1% to 2.7% amounting to Rs. 129,282 lacs (Previous year: Rs. 145,633 lacs) i.e. repayable within 1-5 year is Rs.129,282 lacs (Previous Year : Rs. 131,618 lacs) and after five years Rs.Nil (Previous Year Rs. 14,015 lacs).

(ii) Unsecured loan from banks bears interest rate ranging from 3.06%-13.44% per annum amounting to Rs. 11,509 lacs (Previous year: 16,717 lacs) repayable within 1-3 years.

c Foreign currency loan from banks (secured)

(i) Foreign currency loan from banks includes Rs.2,074 lacs (Previous year : Rs. .5,250 lacs) secured by way of collateral of Accounts receivable and Inventory carrying interest rate of 3.06%-13.44% per annum payable within 1-3 years

(ii) Foreign currency loan from banks Rs. Nil (Previous year : 604 lacs) is secured by way of collateral of Investment securities carrying interest rate of TIBOR +1% per annum payable every six month.

d From others (Unsecured)

(i) Unsecured notes payable to a company amounting to Rs.418 lacs (Previous year Rs. 658 lacs) at interest rates ranging from 0% to 7.07% subordinated to revolving line of credit in monthly installments with final maturity of February 2019.

6 | Other long-term liabilities

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Mark to market losses on derivatives (net)	30,619	21,824
Other long term liabilities (Refer Note 41(B)(i))	469	17,630
	31,088	**39,454**

Notes to Consolidated financial statements for the year ended 31st March 2014

7 | Provisions

	Long-term		Short-term	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Provision for employee benefits				
Provision for post-employment benefits	2,760	2,312	-	-
Jubilee provision	80	52	-	-
Provision for gratuity (note 36) (net)	-	-	236	122
Provision for leave benefits (net)	-	-	3,571	3,070
(A)	2,840	2,364	3,807	3,192
Other provisions				
Provision for Tax (net)	-	-	4,679	7,670
Environmental provision	1,316	1,250	-	-
Provision for contingencies	-	-	524	2,171
Reorganisation provision	-	-	2,442	55
Labour/ Employee claim provision	1,142	1,526	-	-
Interim equity dividend	-	-	-	-
Proposed final equity dividend	-	-	17,144	11,065
Provision for tax on proposed final equity dividend	-	-	2,914	1,881
(B)	2,458	2,776	27,703	22,842
(A+B)	5,298	5,140	31,510	26,034

8 | Short-term borrowings

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
a) Loans repayable on demand		
From banks		
Secured (Refer Note a below)	33,308	20,261
Unsecured:		
Cash credit, packing credit and working capital demand loan accounts (Refer Note b below)	20,903	40,526
Short Term Buyers Credit (Refer Note c below)	5,957	48,057
From others		
Unsecured (Refer Note d below)	500	539
	60,668	109,383
b) Loans and advances from related parties		
Unsecured (Refer Note e below)	-	2,087
	-	2,087
	60,668	111,470
The above amount includes		
Secured borrowings	33,308	20,261
Unsecured borrowings	27,360	91,209

Note :

a **Loan repayable on demand from Banks (Secured):**

Loan repayable on demand of Rs.33,308 lacs (Previous year: 20,261 lacs) from banks having charge over inventories and/or accounts receivable and/or book debts and/or all movable assets of the Group and/or Freehold land and building and/or other fixed assets or investment securities carrying interest rate ranging from 3.06% to 13.44% p.a. and base rate/LIBOR/EURIBOR/TIBOR plus 0.7% to 4% p.a.

Notes to Consolidated financial statements for the year ended 31st March 2014

8 | Short-term borrowings (Contd.)

b **Working Capital Loan repayable on demand from Banks (Unsecured):**
Unsecured working capital loan from banks of Rs. 20,903 lacs (Previous year: Rs. 40,526 lacs) carrying interest rate varying from 4.50% to 9.00% p.a. and base rate/LIBOR plus 0.70% to 4% p.a.

c **Short Term Buyers Credit from bank (Unsecured) :**
Unsecured short term buyers credit of Rs. 5,957 lacs (Previous year: Rs. 48,057 lacs) carrying interest rate ranging from LIBOR plus 0.60% to 4.75%

d Unsecured short term demand loan carrying an interest rate of 12.50% p.a.

e **Loans and advances from Related parties:**
Unsecured loan from related parties Rs. Nil (Previous year: Rs.2,087 lacs) carrying interest rate of LIBOR+4% p.a.

9 | Other Current liabilities

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current maturities of long-term borrowings (note 5)	48,855	27,630
Interest accrued but not due on borrowings	11,266	12,560
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	264	220
Other Payables		
Advances against Orders	6,840	9,941
Trade Deposits	3,175	2,891
Capital Goods creditors	1,547	774
Statutory Liabilities	3,615	2,837
Other liabilities	26,878	15,530
	102,440	72,383

Notes to Consolidated financial statements for the year ended 31st March 2014

10 | Tangible Assets

Rs. Lacs

		Gross Block							Depreciation							Net Block	
Sr. No.	Description of Assets	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Additions during the year	Deductions during the year	Adjustments during the year (refer note 2 and 4 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Provided during the year	Deductions during the year	Adjustments during the year (refer note 2 and 4 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
1	Land - Freehold	19,080	-	773	201	-	652	20,304	-	-	-	-	-	-	-	20,304	19,080
		(16,941)	(1,459)	(-)	(-)	(358)	(322)	(19,080)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(19,080)	(16,941)
2	Land - Leasehold	5,541	32	6	-	-	52	5,631	41	-	7	-	-	3	51	5,580	5,500
		(5,416)	(-)	(109)	(-)	(-)	(16)	(5,541)	(33)	(-)	(6)	(-)	(-)	(2)	(41)	(5,500)	(5,383)
3	Building	33,589	11	3,007	82	796	2,400	39,721	16,096	-	1,000	33	1,483	2,495	21,041	18,680	17,493
		(28,742)	(2,873)	(2,613)	(145)	(-630)	(136)	(33,589)	(13,643)	(2,108)	(530)	(75)	(-376)	(266)	(16,096)	(17,493)	(15,099)
4	Building - Leasehold	2,238	-	27	-	-	413	2,678	1,240	-	134	-	-	228	1,602	1,076	998
		(1,972)	(-)	(220)	(-)	(-)	(46)	(2,238)	(1,114)	(-)	(100)	(-)	(-)	(26)	(1,240)	(998)	(858)
5	Plant and Machinery	208,644	61	37,908	2,252	-	11,978	256,339	132,847	39	14,337	1,760	-906	9,869	154,426	101,913	75,797
		(193,738)	(3,503)	(13,386)	(3,436)	(36)	(1,417)	(208,644)	(118,714)	(2,976)	(12,141)	(2,835)	(743)	(1,108)	(132,847)	(75,797)	(75,024)
6	Laboratory Equipments	2,936	-	358	52	-	440	3,682	2,118	-	125	50	-	358	2,551	1,131	818
		(2,793)	(-)	(273)	(195)	(-)	(65)	(2,936)	(2,167)	(-)	(87)	(193)	(3)	(54)	(2,118)	(818)	(626)
7	Furniture and Fixtures	10,167	21	474	105	-4,983	189	5,763	6,498	10	380	87	-3,832	114	3,083	2,680	3,669
		(9,388)	(329)	(874)	(530)	(-)	(106)	(10,167)	(5,880)	(298)	(746)	(501)	(6)	(69)	(6,498)	(3,669)	(3,508)
8	Office Equipments	126	6	474	236	4,944	282	5,596	91	3	399	230	3,823	246	4,332	1,264	35
		(228)	(-)	(17)	(119)	(-)	(-)	(126)	(191)	(-)	(17)	(117)	(-)	(-)	(91)	(35)	(37)
9	Vehicles	4,958	-	1,728	327	105	44	6,508	2,578	-	873	282	9	51	3,229	3,279	2,380
		(3,800)	(34)	(1,499)	(413)	(-)	(38)	(4,958)	(2,174)	(17)	(641)	(276)	(1)	(21)	(2,578)	(2,380)	(1,626)
10	Assets taken on Lease:																
	(a) Furniture, Fixtures and Equipments	-	-	83	-	-	-	83	-	-	5	-	-	-	5	78	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	(b) Vehicle	16	-	-	11	-	3	8	-	-	-	-	-	-	-	8	16
		(25)	(-)	(-)	(10)	(-)	(1)	(16)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(16)	(25)

Notes to Consolidated financial statements for the year ended 31st March 2014

10 | Tangible Assets (Contd.)

Rs. Lacs

		Gross Block							Depreciation							Net Block	
Sr. No.	Description of Assets	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Additions during the year	Deductions during the year	Adjustments during the year (refer note 2 and 4 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Provided during the year	Deductions during the year	Adjustments during the year (refer note 2 and 4 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
11	Land Improvements	1,756	-	6	4	-	323	2,081	1,711	-	8	4	-	316	2,031	50	45
		(898)	(349)	(1)	(-)	(487)	(21)	(1,756)	(892)	(308)	(4)	(-)	(486)	(21)	(1,711)	(45)	(6)
12	Leasehold Improvements	2,570	-	13	79	435	-95	2,844	2,179	-	109	63	353	-28	2,550	294	391
		(2,848)	(-)	(13)	(-)	(-251)	(-40)	(2,570)	(1,934)	(-)	(528)	(-)	(-269)	(-14)	(2,179)	(391)	(914)
13	Aircraft	6,893	-	-	-	-	715	7,608	944	-	599	-	-	98	1,641	5,967	5,949
		(6,460)	(-)	(-)	(-)	(-)	(433)	(6,893)	(376)	(-)	(543)	(-)	(-)	(25)	(944)	(5,949)	(6,084)
		298,514	131	44,857	3,349	1,297	17,396	358,846	166,343	52	17,976	2,509	930	13,750	196,542	162,304	132,171
	Previous year	(273,249)	(8,547)	(19,005)	(4,848)	(-)	(2,561)	(298,514)	(147,118)	(5,707)	(15,343)	(3,997)	(594)	(1,578)	(166,343)	(132,171)	(126,131)
																-	-
	Assets Held for Sale (Refer note 3 below)															2,352	-
																164,656	132,171

Notes:

1 Figures in brackets represents amounts pertaining to previous year

2 Adjustments during the year include regrouping of certain assets into other class of assets.

3 Assets held for sale are acquired from customers in exchange for debts/unpaid invoices

4 During the year, Desarrollo Quimico Industrial, S.A., Spain (DEQUISA) was merged in Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain. Accordingly investment property (land and building) held by DEQUISA has been classified as fixed assets pursuant to merger

Notes to Consolidated financial statements for the year ended 31st March 2014

11 | Intangible Assets:

Rs. Lacs

		Gross Block							Amortisation							Net Block	
Sr. No.	Description of Assets	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Additions during the year	Deductions during the year	Adjustments during the year (refer note 2 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 1st April, 2013	Taken over in respect of acquisitions during the year	Provided during the year	Deductions during the year	Adjustments during the year (refer note 3 below)	Foreign Exchange Adjust-ment	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
1	Goodwill (Refer Note 41 (A) & (B)(i))	127,669	-	1,472	11,664	-642	4,402	121,237	-	-	-	-	-	-	-	121,237	127,669
		(114,103)	(-)	(5,214)	(229)	(-)	(8,581)	(127,669)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(127,669)	(114,103)
2	Technical know how	17,045	-	-	-	-	788	17,833	16,887	-	161	-	-	785	17,833	-	158
		(16,567)	(-)	(-)	(-)	(-)	(478)	(17,045)	(15,909)	(-)	(499)	(-)	(-)	(479)	(16,887)	(158)	(658)
3	Product Registrations / Acquisitions	217,575	100	23,669	1,685	-	21,457	261,116	129,890	22	22,262	1,542	-416	16,030	166,246	94,870	87,685
		(173,804)	(25,248)	(22,130)	(8,284)	(-)	(4,677)	(217,575)	(93,409)	(20,644)	(20,060)	(8,284)	(-)	(4,061)	(129,890)	(87,685)	(80,395)
4	Task Force Expenses	811	-	-	-	-	-	811	811	-	-	-	-	-	811	-	-
		(811)	(-)	(-)	(-)	(-)	(-)	(811)	(811)	(-)	(-)	(-)	(-)	(-)	(811)	(-)	(-)
5	Software / Licence Fees	3,831	-	363	55	-	459	4,598	3,113	-	224	36	-	452	3,753	845	718
		(3,500)	(76)	(707)	(512)	(-)	(60)	(3,831)	(3,078)	(37)	(358)	(419)	(-)	(59)	(3,113)	(718)	(422)
6	Customer Contracts	814	-	-	-	-	85	899	294	-	90	-	-	30	414	485	520
		(763)	(-)	(-)	(-)	(-)	(51)	(814)	(178)	(-)	(104)	(-)	(-)	(12)	(294)	(520)	(585)
	Total	367,745	100	25,504	13,404	-642	27,191	406,494	150,995	22	22,737	1,578	-416	17,297	189,057	217,437	216,750
	Previous year	(309,548)	(25,324)	(28,051)	(9,025)	(-)	(13,847)	(367,745)	(113,385)	(20,681)	(21,021)	(8,703)	(-)	(4,611)	(150,995)	(216,750)	(196,163)

Note:

1 Figures in brackets represents amounts pertaining to previous year.
2 Capital reserve pertaining to UPL Colombia SAS amounting to Rs. 642 lacs netted off with Goodwill.
3 Adjustments during the year include regrouping of certain assets into other class of assets.

Notes to Consolidated financial statements for the year ended 31st March 2014

12 | Non-current investments

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
A Trade Investment:		
Investments in Equity Instruments:		
(i) Investment in Associates		
(a) 420,00,000 (Previous Year: 84,00,000) Equity Shares of Rs.2 each (Previous Year: Rs. 10 each) fully paid-up in Advanta Limited (Quoted) (includes goodwill of Rs. 5,626 lacs(Previous year: Rs. 5,626 lacs))	32,408	30,670
(b) 9,21,000 (Previous Year: 9,21,000) Equity Shares of Rs 10 each fully paid-up in Chemisynth (Vapi) Limited (Unquoted) (Refer Note 4 below)	-	-
(c) 80,09,77,779 (Previous year :80,09,77,779) Equity Shares fully paid up in Sipcam UPL Brasil S.A. (Unquoted) (includes goodwill of Rs. 10,947 lacs (Previous year: Rs. 12,607 lacs)) (Refer note 42)	20,067	21,057
(d) Investment in Nadab Aps	-	8
(e) 5,000 (Previous year: 5,000) Equity Shares of Euro 1.27 each fully paid up in Kapchem (Ireland) Limited	289	235
	52,764	51,970
(ii) Investment in Joint Ventures (Unquoted)		
(a) 1,627 (Previous Year: 1,627) Equity Shares of Tk.1,000 each fully paid-up in United Phosphorus (Bangladesh) Limited (Refer Note 2(b))	4	4
	4	4
(iii) Investment in Others		
(a) 57 (Previous Year: 57) Ordinary Shares of 1 Rand each fully paid-up in Cropserve (PTY) Limited (Unquoted)	289	289
(b) 1,17,00,000 (Previous Year: 1,17,00,000) Equity shares fully paid up in Ishihara Sangyo Kaisha Ltd.(Quoted) (Refer Note 25(c))	13,647	13,416
(c) 34,35,070 (Previous Year: 34,13,388) Equity Shares of Rs.10 each fully paid-up in Narmada Clean Tech Limited (Unquoted)	343	341
	14,279	14,046
Total A	67,047	66,020
B Other Investment:		
Investment Property (Land and Building) (Refer note 10(4))		
Cost	-	1,039
Less: Accumulated depreciation	-	(487)
Net	-	552
Investments in Equity Instruments:		
(i) Investment in Subsidiary Company (Unquoted)		
2,40,000 (Previous Year: 2,40,000) Equity shares of Rs. 10 each fully paid-up in UPL Investment Private Limited (Refer Note 2(c))	203	195
(ii) Investment in Associates (Unquoted)		
(a) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Agrinet Solutions Limited (includes capital reserve of Rs. 75 lacs (Previous year: 75 lacs)	98	98
(b) 18,130 (Previous year: 18,130) Equity shares of Rs. 100 each of Universal Pestochem (Industries) Pvt. Ltd.(Refer Note 4 below)	-	-
(c) 33,50,000 (Previous Year: 33,50,000) Equity Shares of Rs.10 each fully paid-up in Kerala Enviro Infrastructure Limited	377	344
(d) 200 Equity shares of Polycot Technologies 2010 Ltd. [Face Value: Nil (Previous Year Rs. Nil)]	-	-
	678	1,189
(iii) Investment in Others		

Notes to Consolidated financial statements for the year ended 31st March 2014

12 | Non-current investments (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Quoted		
(a) 28,100 (Previous Year: 28,100) Equity Shares of Rs.10 each fully paid-up in Gujarat State Financial Corporation	6	6
(b) 50,000 (Previous Year: 50,000) Equity Shares of Rs. 10 each fully paid-up in Nivi Trading Limited	6	6
(c) 41,150 (Previous Year: 41,150) Equity Shares of Rs.10 each fully paid-up in Transpek Industry Limited	68	68
(d) 5,307 (Previous Year: 5,307) Equity Shares of Rs.10 each fully paid-up in IDFC Limited	2	2
(e) 3,598 (Previous Year: 3,598) Equity Shares of Rs.10 each fully paid-up in Bank of Baroda Limited	8	8
	90	90
Unquoted		
(a) 10,000 (Previous Year: 10,000) Equity Shares of Rs.10 each fully paid-up in Janakalyan Sahakari Bank Limited	1	1
(b) 10,00,000 (Previous Year: 10,00,000) Equity Shares of Rs.10 each fully paid-up in Uniphos International Limited	50	50
(c) 45,000 (Previous Year: 45,000) Equity Shares of Rs.10 each fully paid-up in Bloom Packaging Private Limited	185	185
(d) 19,025 (Previous Year: 19,025) Equity Shares of Rs.10 each fully paid-up in Bench Bio Private Limited	448	448
(e) 100 (Previous year : 100) Equity Shares of JPY Natural Art KK	21	21
(f) 20,482 (Previous year : 20,842) Equity Shares of Villa Crop Protection Pty Ltd.	597	540
(g) Others	4	1
	1,306	1,246
(iv) Investments in Government or trust securities (Unquoted)		
(a) Indira Vikas Patra [Face Value:Current Year: Rs. 0.06 lac. (Previous Year Rs. 0.06 lac)]. Deposited with Government Authorities.	-	-
(b) National Saving Certificates [Face Value:Current Year: Rs. 0.06 lac. (Previous Year Rs. 0.06 lac)]. Deposited with Government Authorities.	-	-
(v) Investments in debentures or bonds; (Unquoted)	-	-
(a) 1,855 (Previous Year: 1,855) Compulsorily Convertible Bonds of Rs.1,00,000 each in Tatva Global Environment Limited	1,855	1,855
(b) 1,500 (Previous Year: 1,500) Compulsarily Convertible Bonds of Rs. 1,00,000 each in UPL Investment Private Limited	1,500	1,500
(c) 31 (Previous Year:31) Redeemable Optionally Convertible Debentures of Rs. 1,00,00,000 each in Gowal Consulting Pvt. Ltd.	3,100	3,100
	75,576	75,000
Less: Provision for diminution in Investments (Refer Note 25(c))	(1,848)	(855)
Total Non-Current Investment	73,728	74,145
Notes		
1 Aggregate amount of quoted investment cost [Market Value: Rs.60,854 lacs (Previous Year: Rs. 91,316 lacs)]	46,145	44,176
2 Aggregate amount of unquoted investment cost	29,431	30,824
3 Provision for diminution in investments	(1,848)	(855)
4 Share of losses has been restricted to the extent of carrying value of investment.		

Notes to Consolidated financial statements for the year ended 31st March 2014

13 | Deferred tax Liabilities & Assets

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
a) Deferred Tax Assets:		
Provision for Doubtful debts and advances	7,507	10,845
Others	6,984	5,973
Gross Deferred Tax Assets	14,491	16,818
b) Deferred Tax Liabilities:		
Depreciation & Amortisation	22,316	15,192
Others	302	321
Gross Deferred Tax Liabilities	22,618	15,513
The above has been reflected in the Consolidated Balance Sheet as follows:		
Deferred Tax Assets (net)	9,940	13,008
Deferred Tax Liabilities (net)	18,067	11,703

14 | Loans and advances

		Non-current		Current	
		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Capital advances					
Unsecured, considered good		8,892	3,010	-	-
	A	8,892	3,010	-	-
Sundry deposit					
Unsecured, considered good		7,384	3,993	276	2,862
Doubtful		158	137	-	-
		7,542	4,130	276	2,862
Provision for doubtful sundry deposit		(158)	(137)	-	-
	B	7,384	3,993	276	2,862
Advances recoverable in cash or kind					
Unsecured, considered good		13,054	10,350	27,421	28,611
Doubtful		860	860	354	290
		13,914	11,210	27,775	28,901
Provision for doubtful advances		(860)	(860)	(354)	(290)
	C	13,054	10,350	27,421	28,611
Sundry loans					
Unsecured, considered good		-	-	36,611	39,593
Doubtful		217	217	-	-
		217	217	36,611	39,593
Provision for doubtful sundry loans		(217)	(217)	-	-
	D	-	-	36,611	39,593
Other loans and advances (Unsecured, considered good)					
Advance income-tax (net of provision for taxation)		3,435	4,062	4,047	1,071
Minimum alternative tax credit entitlement		5,895	5,337	-	-
Loans to employees		245	157	661	316
Deposits with the Collectorate of Central Excise and Customs		1,125	-	6,930	5,477
	E	10,700	9,556	11,638	6,864
Total (A+B+C+D+E)		40,030	26,909	75,946	77,930

Notes to Consolidated financial statements for the year ended 31st March 2014

15 | Trade receivables and other assets

15.1. Trade receivables

	Non-current		Current	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Unsecured, considered good	1,189	812	320,846	268,499
Unsecured considered Doubtful	-	-	25,608	18,442
	1,189	812	346,454	286,941
Provision for doubtful receivables	-	-	(25,608)	(18,442)
	1,189	812	320,846	268,499

15.2. Other assets

	Non-current		Current	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Unsecured, considered good unless stated otherwise				
Export Benefits Receivable	-	-	7,970	5,386
(A)	-	-	7,970	5,386
Interest Receivables				
Considered Good	-	-	596	864
Considered Doubtful	-	-	5	5
	-	-	601	869
Less : Provision	-	-	(5)	(5)
(B)	-	-	596	864
Others				
Considered Good	-	-	445	1,007
Considered Doubtful	201	201	-	-
	201	201	445	1,007
Less : Provision	(201)	(201)	-	-
(C)	-	-	445	1,007
Total (A+B+C)	-	-	9,011	7,257

Notes to Consolidated financial statements for the year ended 31st March 2014

16 | Current investments

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current investments (valued at lower of cost and fair values unless stated otherwise)		
Investments in debentures or bonds (Quoted)		
- Investment in Associates		
Nil (Previous Year: 1,470) Non-Convertible Debentures of Rs.10,00,000 each in Advanta Limited (formerly known as Advanta India Limited)	-	14,370
Investments in Mutual Funds (Unquoted)		
(a) Nil (Previous year: 2,10,685) units of Reliance Liquidity Fund - Growth option of Rs. 1000 each (Previous Year: Rs. 1000 each).	-	6,000
(Net Assets Value: Rs Nil (Previous Year: Rs. 6,020 lacs)		
(b) Nil (Previous year: 10,65,534) units of Birla Sun Life Cash Plus Institutional Premium - Growth of Rs.100 each.	-	2,000
(Net Assets Value: Nil (Previous Year: Rs.2,002 lacs)		
(c) Nil (Previous year: 1,62,885) units of SBI Premier Liquid Fund Super I. P. Growth of Rs. 1000 each.	-	3,000
(Net Assets Value: Nil (Previous Year: Rs. 3,003 Lacs)		
(d) Nil (Previous Year: 17,31,312) Units of ICICI Prudential Liquid Regular- Growth of Rs. 100 each	-	3,000
(Net Asset Value: Nil (Previous Year: Rs.3,003 Lacs)		
	-	28,370
Note		
Aggregate amount of unquoted investments	-	14,000
Aggregate amount of quoted investments	-	14,370

17 | Inventories (valued at lower of cost and net realizable value)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Raw materials and components	54,273	47,237
Work-in-progress	18,730	12,545
Finished goods	124,870	124,919
Traded goods	40,228	12,768
Stores and spares (including fuel)	2,480	2,274
Packing Material	6,471	6,015
By products	955	1,112
	248,007	206,870

Notes to Consolidated financial statements for the year ended 31st March 2014

18 | Cash and bank balances

	Current	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Cash and cash equivalents		
Balances with banks		
- Current accounts	20,377	21,454
- Foreign Currency accounts	63	65
- Current Accounts outside India	49,342	130,394
- Unclaimed Dividend accounts	264	220
- Fixed Deposit accounts	36	17
- Fixed Deposits outside India	28,427	511
Cheques/Drafts on hand	3,250	1,711
Cash on Hand	77	130
Other Bank Balances		
- Deposits with original maturity for more than 3 months but less than 12 months	42	40
- Margin money deposit *	400	281
	102,278	154,823

* Margin money deposits given as security against Bank Guarantees

19 | Revenue from operations

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Revenue from operations		
Sale of products and Services (net)	1,057,996	901,022
Other operating revenue		
Job-Work / Service Income	1,141	1,219
Export Incentives	6,855	5,950
Refund of Excise Duty	5,287	3,589
Discount Received	595	307
Excess Provisions in respect of earlier years written back (net)	2,616	1,674
Miscellaneous Receipts	2,598	4,809
Revenue from operations (net)	1,077,088	918,570

Notes to Consolidated financial statements for the year ended 31st March 2014

20 | Other income

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Interest income on		
Bank deposits	1,613	1,344
Others	3,688	3,860
Net gain on sale of current investments	3,789	1,613
Rent received	276	198
Exchange Difference (net)	749	82
Profit on sale of assets (net)	475	2,530
Profit on sale/ liquidation of subsidiaries/joint ventures	-	67
Sundry Credit Balances written back (Refer note 41(B)(i))	1,980	742
Miscellaneous Income	565	301
	13,135	10,737

21 | Other expenses

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Stores and Spares Consumed	4,566	3,829
Power and Fuel	43,367	34,984
Repairs to Buildings	1,161	758
Repairs to Machinery	4,403	4,206
Other Repairs	5,049	4,899
Processing Charges	30,374	25,457
Rent	7,463	6,401
Rates and Taxes	5,466	4,239
Insurance Charges	4,440	4,084
Commission on Sales	6,082	4,585
Advertisement and Sales Promotion	11,167	6,420
Travelling and Conveyance	15,894	12,453
Legal and Professional Fees (refer note a below)	11,925	10,166
Charity and Donations	1,383	1,721
Bad Debts written off	7,667	1,008
Provision for Doubtful Debts and Advances	1,582	11,517
Assets written off	557	561
Provision for Diminution in value of Investment	-	70
Warehousing Costs	5,301	4,350
Communication Costs	2,322	2,074
Effluent Disposal Charges	5,798	5,215
Royalty Charges	1,686	889
Registration Charges	4,132	4,104
Transport Charges	37,130	29,769
Labour charges	5,717	4,967
Research and development expenses	1,159	1,832
Other Expenses	10,572	8,573
	236,363	199,131

Notes to Consolidated financial statements for the year ended 31st March 2014

21 | Other expenses (Contd.)

(a) Payment to Auditor of the Holding Company

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
As Auditor:		
Audit fee	245	205
Other Services (Certification Fees)	11	10
Others	9	2
Reimbursement of expenses	3	3
	268	220

22 | Depreciation and amortization expense

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Depreciation of tangible assets	18,083	15,620
Amortization of intangible assets	22,611	19,752
	40,694	**35,372**

23 | Finance costs

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Interest:		
- On Debentures	12,665	13,212
- On Term Loans	8,476	4,230
- On Cash Credit and Working Capital Demand Loan Accounts	3,859	5,396
- On Fixed Deposits and Fixed Loans	144	203
- On Others	4,792	3,410
Cash Discount	5,915	5,149
Exchange Difference (net)	(5,220)	2,428
Loss on Derivatives Instruments	14,065	4,521
Other Financial Charges	3,964	4,347
	48,660	42,896

24 | Prior Period Adjustments

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Goodwill written off	-	115
Material cost pertaining to earlier years	1,260	1,859
Others (net)	295	44
	1,555	2,018

Notes to Consolidated financial statements for the year ended 31st March 2014

25 | Exceptional items

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Restructuring/reorganisation Cost (Refer note a below)	5,544	1,504
Compounding fees (Refer note b below)	1,986	-
Provision for dimunition in value of Investment (Refer note c below)	1,000	-
	8,530	1,504

Note:

a) Restructuring/reorganisation costs incurred by the Group are for European and Latin American region.

b) During the year the Holding company paid Rs.1,986 Lacs to Reserve Bank of India towards compounding fees under Foreign Exchange Management Act (FEMA).

c) The Group has recognised an amount of Rs. 1,000 lacs, as provision for diminution in the value of investment in Ishihara Sangyo Kaisha Ltd made by United Phosphorus Limited Japan in earlier years.

26 | Effect of Acquisitions

	31-Mar-14				31-Mar-13		
Particulars	**Effect on Group Profit Before Tax for the year**	**Net Assets as at Date of Acquisition**	**Date of Acquisition**	**Particulars**	**Effect on Group Profit Before Tax for the year**	**Net Assets as at Date of Acquisition**	**Date of Acquisition**
	Rs. Lacs	**Rs. Lacs**			**Rs. Lacs**	**Rs. Lacs**	
Acquisitions:				**Acquisitions:**			
Optima Farm Solutions Limited	(8)	111	9th January, 2014	AgriChem B.V.			
Neo-Fog S.A.	250	265	1st June, 2013	SD Agchem (Netherlands) B.V.			
JPB Courtage S.A.R.L.	228	(42)	1st June, 2013	Agricultural Chemicals N.V.	1310	(2,559)	1st July, 2012
				AgriChem Polska Sp.Z.O.O.			
				AgriChem Helvetica GmbH.,			
TOTAL	470	334		TOTAL	1,310	(2,559)	

Note: Figures of loss/negative net assets are indicated in brackets.

27 | Contingent liabilities not provided for:

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(a) Disputed Excise Duty / Service Tax Liability (excluding interest)	12,754	10,253
(b) Disputed Income-tax Liability (excluding interest)	1,143	179
(c) Disputed Sales-tax Liability	4,897	9,299
(d) Disputed Customs Liability	3,558	3,558
(e) Disputed Fiscal Penalty for cancellation of Licenses	3,348	3,348
(f) Disputed Penalty on water tax	167	161
(g) Disputed penalty levied by Competition Commission of India for cartelization of prices	25,244	25,244
(h) Bills discounted remaining unpaid as at the date of the Balance Sheet	21,030	4,262
(i) Guarantees given by the Group to third parties	281	131
(j) Claims against the Group not acknowledged as debts	4,690	4,162

Notes to Consolidated financial statements for the year ended 31st March 2014

27 | Contingent liabilities not provided for: (Contd.)

(k) In January 2013, the Holding Company and its associate have received a show cause notice from the Directorate of Enforcement, alleging that the Holding Company and its associate have contravened certain provisions of Foreign Exchange Management Act, 1999 with regard to foreign direct investment made/received and its utilisation of proceeds of FCCB / ECB.

The management of the Holding Company and its associate have replied to the show cause notice and had personal hearings to represent their matter and have filed the written submissions. The matter is pending before the authority and based on internal assessment, the management believes that no liability would arise in respect of the aforesaid matter.

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
In respect of share of Associate Companies:		
a) Disputed Income tax liability (Excluding interest)	1,423	1,169
b) Disputed Service Tax Liability	244	244
c) Guarantees given by the Associates to Third Parties	-	2,994
d) Claims against the Associates not acknowledged as debts.	449	926

28 | Capital and other commitments

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	13,972	3,630

(b) Arrangement with Advanta Limited

The Holding Company has entered into a Licence Agreement effective from 2nd April 2012 with Advanta Limited (AL) to obtain technical know-how for commercial exploitation, development, use and sale of the Licenced Products and use of brands. In consideration thereof, the Holding Company will pay a royalty at the rate of 7% of net sales revenue of the Licenced Products subject to a minimum royalty of Rs 700 lacs. Further, AL shall carry out research and development activity, as agreed, in connection with the Licenced Products and the Holding Company will pay an amount as may be agreed between both the parties at the commencement of each year.

(c) The Holding Company has undertaken an export obligation based on duty saved on CIF machinery imported by the Holding Company to be fulfilled over a period of 6 to 8 years. The obligation outstanding as on the date of the balance sheet is Rs.5,820 Lacs (Previous Year: Rs. 5899 lacs)

(d) **Commitment to purchase minority interests (put options)**

As at 31 March 2014, the Group holds 73% stake in its subsidiary UPL do Brasil. For balance 27% stake, the existing minority shareholders has a right to sell (put option) their stake to the Group from 01 April 2016 onwards and the Group has a right to buy (call option) the existing minority shareholders stake from 01 April 2017 onwards. The option exercise price will be determined based on the valuation method as agreed between the parties under the Share Holder's Agreement.

29 | Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Basic and diluted earning per share:		
Profit after Taxation as per the Consolidated Statement of profit and loss	93,485	74,071
Add/(Less) : Share of Profit / (loss) in Associate Company (including prior period adjustment and exceptional items)	2,209	3,233
	95,694	77,304
Add/(Less): Minority Interest	(715)	156
Net Profit attributable to equity shareholders after exceptional items	94,979	77,460
Add:Exceptional Items (including in respect of share in associates)	9,360	1,738
Net Profit attributable to equity shareholders before exceptional items	104,339	79,198

Notes to Consolidated financial statements for the year ended 31st March 2014

29 | Earnings per share (EPS) (Contd.)

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
	Nos.	Nos.
Weighted Number of Equity Shares Outstanding	439,958,374	452,349,911
	Rupees	Rupees
Basic & diluted Earning Per Share including exceptional items	21.59	17.12
Basic & diluted Earning Per Share excluding exceptional items	23.72	17.51
Nominal Value of equity share	2.00	2.00

30 | Exceptional items-associate

Exceptional item in respect of associate pertains to expected loss relating to emergence and offtypes issues suffered by some of the seed growers relating to Advanta Group.

31 | Interest in Joint Ventures

(a) The Group has 40% ownership interest in Hodogaya UPL Co. Limited, a jointly controlled entity incorporated in Japan.The proportionate interest of the Group in the said entity as per the audited Balance Sheet as at 31st March, 2014 is as under:

Particulars	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Assets	4,516	4,720
Liabilities	3,163	3,524
Income	8,476	8,685
Expenses	8,335	8,718

(b) The Group 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, 2013 is as under:

Particulars	31-Mar-13 Rs. Lacs	31-Mar-12 Rs. Lacs
Assets	292	318
Liabilities	136	180
Income	254	252
Expenses	247	245

32 | Related Party Disclosures:

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

a) Name of related parties with whom transactions have taken place during the year:

i) **Joint Venture Companies:**
United Phosphorus (Bangladesh) Limited
Hodogaya UPL Co. Limited, Japan

ii) **Associate Companies:**
Advanta Limited (formerly known as Advanta India Limited)
Advanta Semillas SAIC, Argentina
Advanta Seed International, Mauritius
Pacific Seeds Pty Limited, Australia
Unicorn Seeds Private Limited, India (Merged with Advanta Limited)
SIPCAM UPL Brasil S.A.
Chemisynth (Vapi) Limited
Kerala Enviro Infrastructure Limited

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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
Daman Ganga Pulp and Papers Private Limited
Demuric Holdings Private Limited
Enviro Technology Limited
Jai Research Foundation
Jai Trust
JRF International Ltd
Nerka Chemicals Private Limited
Pot Plants
Sanguine Holdings Private Limited
Tatva Global Enviroment Limited
Tatva Global Environment (Deonar) Limited
Ultima Search
Uniphos International Limited
Uniphos Enterprises Limited
Uniphos Envirotronic Private Limited
UPL Environmental Engineers Limited
Vikram Farm
Accolade Properties Private Limited (upto September 27, 2012)
Sadafuli Finvest Private Limited (upto September 27, 2012)

iv) **Key Management Personnel and their relatives :**

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

* relative of key management personnel.

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	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)	4,696	2,979	563	8,238	2,187	4,211	646	7,044
Sipcam UPL Brasil S.A.	-	2,700	-	2,700	-	3,828	-	3,828
Hodogaya UPL Co. Limited.	4,563	-	-	4,563	2,077	-	-	2,077
Others	133	279	563	975	110	383	646	1,139
b) OTHER INCOME	-	-	-	-	-	1,788	-	1,788
Advanta International B.V	-	-	-	-	-	1,788	-	1,788
c) MANAGEMENT FEES	-	-	448	448	-	-	581	581
Tatva Global Environment Limited	-	-	358	358	-	-	506	506
Bharuch Enviro Infrastructure Limited	-	-	67	67	-	-	57	57
Enviro Tech. Ltd	-	-	22	22	-	-	18	18
d) SALE OF ASSETS	-	-	-	-	-	-	18	18
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	18	18
e) RENT RECEIVED	-	-	39	39	-	-	25	25
Uniphos Envirotronic Private Limited	-	-	39	39	-	-	24	24
Others	-	-	-	-	-	-	1	1
f) QUANTITY DISCOUNT RECEIVED	-	-	99	99	-	-	126	126
Bharuch Enviro Infrastructure Limited	-	-	99	99	-	-	-	-
Uniphos International Limited	-	-	-	-	-	-	126	126
g) SERVICES	-	-	-	-	-	12	-	12
Advanta Semillas SAIC	-	-	-	-	-	12	-	12

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	Joint Venture Companies	Associate Companies	Other related parties	TOTAL	Joint Venture Companies	Associate Companies	Other related parties	TOTAL
2. EXPENSES								
a) PURCHASES OF GOODS	2,550	5,951	5,305	13,806	1,563	3,004	2,938	7,505
Advanta Limited	-	1,293	-	1,293	-	1,095	-	1,095
Hodogaya UPL Co. Limited.	2,550	-	-	2,550	1,563	-	-	1,563
Advanta Seed International Mauritius	-	1,812	-	1,812	-	1,578	-	1,578
Advanta Semillas SAIC	-	2,632	-	2,632	-	-	-	-
Bloom Seal Containers Private Limited.	-	-	2,367	2,367	-	-	1,382	1,382
Others	-	214	2,938	3,152	-	331	1,556	1,887
b) FIXED ASSETS	-	-	1,335	1,335	-	54	32	86
UPL Enviromental Eng.Ltd.	-	-	1,327	1,327	-	-	4	4
Sadafuli Finvest Private Limited	-	-	-	-	-	-	17	17
Uniphos Envirotronic Private Limited	-	-	8	8	-	-	11	11
Chemi Synth (Vapi) Limited.	-	-	-	-	-	54	-	54
c) OTHERS	-	-	21	21	-	-	21	21
Vikram Farm	-	-	21	21	-	-	21	21
d) SERVICES	-	1	4,018	4,019	-	7	3,314	3,321
Bharuch Enviro Infrastructure Limited	-	-	3,877	3,877	-	-	3,189	3,189
Others	-	1	141	142	-	7	125	132
e) RENT	-	169	33	202	-	169	344	513
Sanguine Holdings Private Limited	-	-	7	7	-	-	7	7
Accolade Properties Private Limited	-	-	-	-	-	-	160	160
Sadafuli Finvest Private Limited	-	-	-	-	-	-	154	154
Advanta Limited	-	169	-	169	-	169	-	169
Others	-	-	26	26	-	-	23	23

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	Joint Venture Companies	Associate Companies	Other related parties	TOTAL	Joint Venture Companies	Associate Companies	Other related parties	TOTAL
f) ROYALTY	-	877	-	877	-	889	-	889
Advanta Limited	-	877	-	877	-	889	-	889
g) RESEARCH & DEVELOPMENT EXPENSES	-	562	-	562	-	1,538	-	1,538
Advanta Limited	-	562	-	562	-	1,538	-	1,538
h) COMMISSION GIVEN	-	-	-	-	-	-	2	2
Others	-	-	-	-	-	-	2	2
i) INTANGIBLE ASSETS	-	-	1,009	1,009	-	-	412	412
Jai Research Foundation	-	-	1,009	1,009	-	-	412	412
j) CAPITAL ADVANCES GIVEN	-	-	-	-	-	-	1,000	1,000
UPL Environmental Engineers Limited	-	-	-	-	-	-	1,000	1,000
3. FINANCE								
a) INTEREST PAID	-	-	2	2	-	-	4	4
Demuric Holdings Private Limited	-	-	2	2	-	-	4	4
Others	-	-	0	0	-	-	-	-
b) INTEREST RECEIVED	-	1,906	322	2,228	-	1,451	1,043	2,494
Advanta Limited	-	1,762	-	1,762	-	1,400	-	1,400
Uniphos Enterprises Limited	-	-	-	-		-	749	749
Tatva Global Environment Limited	-	-	319	319	-	-	66	66
Others	-	144	3	147	-	51	228	279
c) LOAN /INTER CORPORATE DEPOSITS GIVEN	-	7,595	13,736	21,331	-	8,621	11,886	20,507
Advanta Limited	-	4,000	-	4,000	-	2,650	-	2,650
Uniphos Enterprises Limited	-	-	-	-	-	-	9,395	9,395
Advanta Seed International Mauritius	-	3,595	-	3,595	-	5,971	-	5,971
Tatva Global Environment Limited	-	-	13,736	13,736	-	-	1,441	1,441
Others	-	-	-	-	-	-	1,050	1,050

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	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	-	-	900	900	-	2,087	-	2,087
Demuric Holdings Private Limited	-	-	900	900	-	-	-	-
Advanta Holdings B.V	-	-	-	-	-	2,087	-	2,087
e) SALE/REDEMPTION OF SHARES/NCD/ COMMERCIAL PAPER	-	14,368	-	14,368	-	4,431	-	4,431
Advanta Limited	-	14,368	-	14,368	-	4,431	-	4,431
f) PURCHASE OF SHARES/NCD/COMMERCIAL PAPERS	-	-	-	-	-	8,945	9,870	18,815
Advanta Limited	-	-	-	-	-	8,870	-	8,870
Demuric Holdings Private Limited	-	-	-	-	-	-	9,870	9,870
Others	-	-	-	-	-	75	-	75
g) REPAYMENT OF LOAN GIVEN	-	7,595	13,736	21,331	-	8,621	13,467	22,088
Advanta Seed International Mauritius	-	3,595	-	3,595	-	5,971	-	5,971
Uniphos Enterprises Limited	-	-	-	-	-	-	9,395	9,395
Advanta Limited	-	4,000	-	4,000	-	2,650	-	2,650
UPL Environmental Engineers Limited	-	-	-	-	-	-	2,550	2,550
Tatva Global Environment Limited	-	-	13,736	13,736			1,522	1,522
h) REPAYMENT OF LOAN TAKEN	-	-	900	900	-	-	179	179
Demuric Holdings Private Limited	-	-	900	900	-	-	179	179
i) ALLOTMENT OF BONDS	-	-	-	-	-	1,500	-	1,500
UPL Investment Private Limited	-	-	-	-	-	1,500	-	1,500

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	Joint Venture Companies	Associate Companies	Other related parties	TOTAL	Joint Venture Companies	Associate Companies	Other related parties	TOTAL
4. REIMBURSEMENTS								
a) RECEIVED	-	-	31	31	-	51	51	102
Advanta Limited	-	-	-	-	-	46	-	46
Uniphos Enterprises Limited	-	-	-	-	-	-	30	30
Nerka Chemicals Private Limited	-	-	26	26	-	-	17	17
Others	-	-	4	4	-	5	4	9
b) MADE	-	241	2	243	3	352	79	434
Advanta Limited	-	241	-	241	-	348	-	348
Sadafuli Finvest Private Limited	-	-	-	-	-	-	78	78
Others	-	-	2	2	3	4	1	8
5. TRANSFER OF SECURITY DEPOSIT FROM	-	1	-	1	-	2	-	2
Advanta Limited	-	1	-	1	-	2	-	2
6. TRANSFER OF CUSTOMER BALANCES FROM	-	2	-	2	-	15	-	15
Advanta Limited	-	2	-	2	-	15	-	15
7. OUTSTANDINGS AS AT BALANCE SHEET DATE								
a) PAYABLES	1,072	1,037	139	2,248	735	1,641	207	2,583
Advanta Limited	-	-	-	-	-	530	-	530
Hodogaya UPL Co. Limited.	1,072	-	-	1,072	735	-	-	735
Advanta Seed International Mauritius	-	945	-	945	-	625	-	625
PT Advanta Seeds Indonesia	-	-	-	-	-	370	-	370
Others	-	92	139	231	-	116	207	323

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

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

Rs. Lacs

Nature of Transactions	Year ended March 31, 2014				Year ended March 31, 2013			
	Joint Venture Companies	Associate Companies	Other related parties	TOTAL	Joint Venture Companies	Associate Companies	Other related parties	TOTAL
b) RECEIVABLES	1,706	2,283	704	4,693	624	3,252	52	3,928
Sipcam UPL Brasil S.A.	-	1,771	-	1,771	-	2,516	-	2,516
Hodogaya UPL Co. Limited.	1,672	-	-	1,672	599	-	-	599
Advanta International B.V	-	-	-	-		565	-	565
Advanta Seed International Mauritius	-	181	-	181	-	-	-	-
Uniphos Enterprises	-	-	662	662			10	10
Others	34	331	42	407	25	171	42	238
c) CAPITAL ADVANCES	-	-	-	-	-	-	1,000	1,000
UPL Environmental Engineers Limited	-	-	-	-	-	-	1,000	1,000
d) LOANS PAYABLE	-	-	-	-	-	2,087	-	2,087
Advanta Holdings B.V	-	-	-	-	-	2,087	-	2,087
e) MANAGEMENT FEES RECEIVABLE	-	-	290	290	-	-	270	270
Tatva Global Environment Limited	-	-	260	260	-	-	251	251
Others	-	-	30	30	-	-	19	19
f) INTEREST RECEIVABLES	-	338	109	447	-	646	102	748
Advanta Limited	-	301	-	301	-	595	-	595
Advanta Seed International Mauritius	-	37	-	37		51		51
Tatva Global Environment Limited	-	-	109	109	-	-	-	-
Others	-	-	-	-	-	-	102	102
g) DEPOSITS GIVEN	-	-	507	507	-	-	510	510
Daman Ganga Pulp and Papers Private Limited	-	-	400	400	-	-	400	400
Bloom Packaging Private Limited.	-	-	75	75	-	-	75	75
Others	-	-	32	32		-	35	35
h) GUARANTEES GIVEN ON BEHALF OF ASSOCIATES	-	29,958	-	29,958	-	27,143	-	27,143
Advanta Limited	-	29,958	-	29,958	-	27,143	-	27,143

Notes to Consolidated financial statements for the year ended 31st March 2014

32 | Related Party Disclosures: (Contd.)

c) Transactions with Directors of the Holding Company and their Relatives

	Year ended March 31, 2014 Rs. Lacs	Year ended March 31, 2013 Rs. Lacs
Nature of Transactions		
Remuneration	3,237	2,381
Rent Paid	156	155
Professional Fees	13	13
Outstandings as at the Balance Sheet Date		
Remuneration Payable	425	309
Sundry Deposits given	53	53
Professional fees payable	2	1

33 | Foreign Exchange Derivatives and Exposures outstanding as at Balance Sheet date

Nature of Instrument	Currency	31-Mar-14 Amount outstanding (in '000)	31-Mar-13 Amount outstanding (in '000)	Purpose - Hedging/ Speculation
(a) Forward contract - Sell	USD	4,000	34,150	Hedging
Forward contract - Sell	EUR	4,119	-	Hedging
(b) Derivative contracts				
(i) Full Currency Interest Rate Swap contracts - payable	USD	241,087	247,726	Hedging
Full Currency Interest Rate Swap contracts - payable	EUR	25,667	-	Hedging
(ii) Full Currency Interest Rate Swap contracts - receivable	USD	-	2,092	Hedging
(iii) Interest Rate Swaps on Loans Payable	USD	243,275	243,275	Hedging
(c) Un-hedged Foreign Currency Exposure on:				
1 Payable	USD	266,351	255,393	
	EUR	7,728	17,985	
	GBP	260	61	
	JPY	-	135	
	CHF	4	-	
	DKK	1,118	960	
	PLN	-	10	
	MUR	20	37	
2 Receivable	USD	224,833	171,295	
	EUR	15,893	24,271	
	GBP	124	134	
	DKK	3,879	99	
	JPY	145,291	968	
	AUD	5,113	774	
	MUR	4,506	9	
	PLN	55	-	
	AED	18	-	

Notes to Consolidated financial statements for the year ended 31st March 2014

34 | Lease Commitments

		31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
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	160	40
	(ii) Payable later than 1 year and not later than 5 years	250	3
	Total Minimum Lease Payments	410	43
	Less: Future Finance Charges	-	-
	Present Value of Minimum Lease Payments	410	43
b)	Operating Leases		
	The minimum annual rentals under the non cancellable operating leases are as under:		
	i) within one year	453	280
	ii) between two and five years	713	292
	iii) above five years	35	42
	Rent expense debited to the statement of profit and loss is Rs.7,463 lacs (Previous Year: Rs. 6,401 lacs)		
	There is no contingent rent recognised in the statement of profit and loss.		
	General description of the leasing arrangement: The Group has entered into operating lease arrangements for its office premises (including utilities), storage locations and residential premises.		

35 |

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. 738 lacs (Previous Year: Rs. 939 lacs) though overall, there is no impact on the aggregate of Reserves and Surplus of the Group.

36 | Retirement Benefits

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

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

(i) Defined Contribution Plan

	Provident Fund	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost included under the head - Employee Benefits Expense	848	773

Notes to Consolidated financial statements for the year ended 31st March 2014

36 | Retirement Benefits (Contd.)

(ii) Defined Contribution Plan

	Superannuation Fund	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost included under the head - Employee Benefits Expense	589	546

b) Defined Benefit Plan :

UPL Limited and SWAL Corporation Limited has a defined benefit gratuity plan.

RiceCo, LLC has a defined benefit pension plan.

(iii) Defined Benefit Plan

	Gratuity		Pension	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Current service cost	266	251	108	29
Interest cost on benefit obligation	196	146	78	66
Expected return on plan assets	(190)	(176)	(100)	(101)
Net actuarial (gain)/loss recognised during the year	(22)	61	55	31
Amount included under the head - 'Employee Benefits Expense'	250	282	141	25
Actual return on plan assets	194	192	211	112

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

	Defined Benefit Plan - Gratuity (Funded)		Pension	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Present value of funded obligation	2,446	2,179	2,157	1,822
Less: Fair value of plan assets	2,210	2,057	1,654	1,376
Net Liability is included in Note no. 7 Provisions	236	122	503	446

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

	Gratuity		Pension	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Opening defined benefit obligation	2,179	1,810	2,011	1,506
Interest cost	196	146	78	68
Current service cost	266	251	108	31
Benefits paid	(136)	(115)	(79)	(40)
Actuarial (gains)/loss on obligation	(59)	87	39	257
Closing defined benefit obligation	2,446	2,179	2,157	1,822

Notes to Consolidated financial statements for the year ended 31st March 2014

36 | Retirement Benefits (Contd.)

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

	Gratuity		Pension	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Opening fair value of plan assets	2,057	1,855	1,522	1,304
Expected return	190	176	100	112
Contibutions made by employer during the year	-	-	-	-
Benefits paid	-	-	(79)	(40)
Actuarial Gain/(Loss) on plan assets	(37)	26	111	-
Closing fair value of plan assets	2,210	2,057	1,654	1,376

f)

	Gratuity Rs. Lacs	Pension Rs. Lacs
Expected contribution to defined benefit plan for the year 2014-15	295	107

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

	Gratuity	
	31-Mar-14 %	31-Mar-13 %
Investments with insurer under:		
Funds Managed by Insurer	100.00	100.00

	Pension	
	31-Mar-14 %	31-Mar-13 %
(a) Equity Securities	61.00	60.00
(b) Debt Securities	39.00	40.00

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

	Gratuity	
	31-Mar-14	31-Mar-13
Discount rate	9%	8.10% - 8.20%
Expected rate of return on plan assets	9.00% - 9.25%	9.00% - 9.50%
Mortality table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Proportion of employees opting for early retirement	5% at younger ages and reducing to 1% at old age	5% at younger ages and reducing to 1% at old age on graduated scale

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.

Notes to Consolidated financial statements for the year ended 31st March 2014

36 | Retirement Benefits (Contd.)

	Pension	
	31-Mar-14	31-Mar-13
Discount rate Projected Benefit Obligation	4.50%	4.00%
Rate of Increase in Compensation Levels	3.00%	3.00%
Expected Long Term rate of Return on Assets	6.75%	8.00%

i) Experience Adjustment

	Gratuity	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Experience adjustments on plan liabilities (Gain)/Loss	12	15
Experience adjustments on plan Assets (Gain)/Loss	39	24

Amounts for the current and previous four periods are as follows:

	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-12 Rs. Lacs	31-Mar-11 Rs. Lacs	31-Mar-10 Rs. Lacs
Gratuity					
Defined benefit obligation	2,505	2,224	1,856	1,435	1,098
Plan assets	2,210	2,057	1,860	1,602	1,402
Surplus / (deficit)	(295)	(167)	(4)	167	304
Experience adjustments on plan liabilities	12	15	67	(138)	(143)

37 | Disclosure relating to provisions:

i) Environmental Provision:

The Group's operations are subject to environmental laws and regulations in the jurisdictions in which group operates. Some of these laws restrict the amount and type of emissions that group's operations can release into the environment. Group has made necessary provision required by respective local laws. The out flow of which would depend on the cessation of the respective events.

ii) Reorganization Provision:

Due to a downward trend and a stronger competition, management has announced a cost reduction plan which includes a decrease in headcounts and other costs. The Group made provision in respect of the same and outflow is expected on cessations of the respective events.

iii) Labour / Employee Claim Provision:

The Group is parties to various lawsuits that are at administrative or judicial level or in their initial stages, involving labour, tax and civil matters. The Group contest in court all claims and based on the assessment of their legal counsel, record a provision when the risk of loss is considered probable. The outflow is expected on cessations of the respective events.

iv) Provision for Contingencies :

The Group has considered provision for contingencies based on the best estimate of management of possible outflow relating to customs assessment on imports.

The movements in the above provisions are summarized below:

	Environmental Provision		Reorganisation Provision		Labour / Employee Claim Provision		Provision for Contingencies	
	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs	31-Mar-14 Rs. Lacs	31-Mar-13 Rs. Lacs
Opening balance	1,250	1,230	55	24	1,526	1,575	2,171	-
Provisions:								
- Created	-	-	2,377	22	-	-	-	2,171
- Utilised	(99)	-	-	-	-	-	(1,872)	-
- Reversed	-	-	-	-	(353)	-	-	-
Foreign currency translation effect	165	20	10	9	(31)	(49)	225	-
Closing balance	1,316	1,250	2,442	55	1,142	1,526	524	2,171

Notes to Consolidated financial statements for the year ended 31st March 2014

38 | Segment information

1. Information about Primary Business Segments (Rs. lacs)

Particulars	31-Mar-14				31-Mar-13			
	Agro Activity	Non Agro Activity	Unallocated	Total	Agro Activity	Non Agro Activity	Unallocated	Total
Revenue								
External	10,30,702	44,507	1,879	10,77,088	8,76,760	41,172	638	9,18,570
Intersegment	(37,321)	37,321		-	(22,512)	22,512	-	-
Total Revenue	**9,93,381**	**81,828**	**1,879**	**10,77,088**	**8,54,248**	**63,684**	**638**	**9,18,570**
Segment Results								
Contribution	1,97,257	(758)	-	1,96,499	1,60,852	3,180	-	1,64,032
Intersegment profit	(5,855)	5,855	-	-	(3,793)	3,793	-	
Total segment results	**1,91,402**	**5,097**		**1,96,499**	**1,57,059**	**6,973**	**-**	**1,64,032**
Unallocated expenses net of unallocated income				22,100				23,226
Finance costs				48,660				42,896
Exceptional item				8,530				1,504
Prior period adjustments				1,555				2,018
Profit before taxation				**1,15,654**				**94,388**
Provision for Taxation								
Current tax				12,012				22,134
Minimum alternative tax credit entitlement				(558)				-
tax effect of earlier year				225				(84)
Deferred tax				10,490				(1,733)
Net Profit after Tax before Minority interest and Income from Asssociates				**93,485**				**74,071**
Minority interest				(715)				156
Profit/(Loss) from associates				3,039				3,835
Prior period adjustments-associate								(368)
Exceptional items-associate				(830)				(234)
Net profit for the year				**94,979**				**77,460**
Other Information								
Segment Assets	9,16,878	39,240	3,29,727	12,85,845	8,07,930	36,411	4,00,965	12,45,306
Segment Liabilities	3,01,052	3,567	4,39,277	7,43,896	2,76,997	2,701	4,77,663	7,57,361
Capital Expenditure	51,670	6,485	3,105	61,260	50,831	2,675	1,587	55,093
Depreciation	12,690	4,132	1,261	18,083	10,480	3,559	1,581	15,620
Amortisation	22,452	5	154	22,611	19,639	-	113	19,752
Non Cash expenses other then depreciation	9,587	176	73	9,836	12,915	246	146	13,307

Notes to Consolidated financial statements for the year ended 31st March 2014

38 | Segment information (Contd.)

2. Information about Secondary Business Segments

Rs. Lacs

Particulars	Current Year					
	India	Europe	North America	Latin America	ROW	Total
Revenue by Geographical Market						
External	2,24,524	2,01,563	2,12,172	2,85,585	1,53,244	10,77,088
Internal	-	-	-	-	-	-
Total	2,24,524	2,01,563	2,12,172	2,85,585	1,53,244	10,77,088
Carrying amount of Segment Assets	4,38,369	2,32,971	1,91,620	2,96,166	1,26,719	12,85,845
Addition to Fixed Assets (including Intangible assets)	39,783	14,329	5,395	9,042	1,812	70,361

Rs. Lacs

Particulars	Previous Year					
	India	Europe	North America	Latin America	ROW	Total
Revenue by Geographical Market						
External	1,78,415	1,69,716	1,87,113	2,50,671	1,32,655	9,18,570
Internal	-	-	-	-	-	-
Total	1,78,415	1,69,716	1,87,113	2,50,671	1,32,655	9,18,570
Carrying amount of Segment Assets	4,03,410	2,33,226	1,77,990	3,10,118	1,20,562	12,45,306
Addition to Fixed Assets (including Intangible assets)	13,889	18,532	4,650	7,040	2,945	47,056

3. Notes

(1) The business of the Group is divided into two business segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Agro activity – This is the main area of the Group's operation and includes the manufacture and marketing of conventional agrochemical products, seeds and other agricultural related products.

b) Non-agro activity – Non agro activities includes manufacture and marketing of industrial chemical and other non agricultural related products.

(2) Segment Revenue in the above segments includes sales of products net of taxes.

(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 in India includes sales to customers located within India.

b) Revenue in Europe includes sales to customers located within Europe.

c) Revenue in North America includes sales to customers located within North America.

d) Revenue in Latin America includes sales to customers located within Latin America.

e) Revenue in Rest of world includes sales to customers located other than above Geographic segments.

(5) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Notes to Consolidated financial statements for the year ended 31st March 2014

39 | 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. Accordingly the information in aggregate for each subsidiary including subsidiaries of subsidiaries is as follows:

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to exemption received under section 212(8) of the Companies Act, 1956 relating to subsidiary companies

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	18	23	0	-	-	2	(0)	1	-
2	SWAL Corporation Limited	INR	1.00	802	4,302	15,068	13,064	3,100	41,293	1,281	(409)	872	-
3	United Phosphorus (India) LLP	INR	1.00	10	(0)	10	0	-	-	1	(0)	0	-
4	United Phosphorus Global LLP	INR	1.00	10	1	11	1	-	-	1	(0)	1	-
5	Optima Farm Solution Ltd	INR	1.00	155	(52)	140	37	-	-	(8)	-	(8)	-
6	United Phosphorus Limited, U.K.	GBP	99.60	42,395	8,810	1,08,249	57,045	-	91,904	3,185	(655)	2,530	-
7	United Phosphorus GMBH - Germany	EUR	82.28	21	1,342	6,423	5,060	-	28,827	889	(276)	613	-
8	United Phosphorus Polska Sp.z o.o - Poland	PLN	19.71	1	(30)	38	67	-	-	(15)	-	(15)	-
9	AgriChem B.V.	EUR	82.28	15	10,259	26,198	16,220	296	31,849	1,815	(304)	1,511	-
10	SD Agchem (Netherlands) B.V.	EUR	82.28	15	2,508	7,729	5,206	-	-	(169)	47	(122)	-
11	Agricultural Chemicals N.V. (Refer Note: 4)	EUR	82.28	82	1,232	1,314	-	-	829	4	-	4	-
12	AgriChem Helvetica GmbH. (Refer Note: 5)	CHF	67.53	-	-	-	-	-	-	(8)	(1)	(9)	-
13	AgriChem Polska Sp.Z.O.O.	PLN	19.71	16	(8)	14	7	-	-	23	(1)	22	-
14	Cerexagri B.V. - Netherlands	EUR	82.28	18,602	1,456	40,152	20,093	-	22,951	(3,912)	996	(2,916)	-
15	Blue star BV	EUR	82.28	1	1,372	1,791	418	-	-	(26)	-	(26)	-
16	United Phosphorus Holdings Cooperatief U.A.	EUR	82.28	60,657	(260)	65,806	5,409	-	365	(108)	27	(81)	-
17	United Phosphorus Holdings B.V., Netherlands	EUR	82.28	15	59,094	2,55,908	1,96,799	-	368	772	(108)	664	-
18	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	EUR	82.28	3,065	(42)	3,075	52	-	-	(4)	-	(4)	-
19	Decco Worldwide Post-Harvest Holdings B.V.	EUR	82.28	15	2,900	13,993	11,078	-	-	(646)	-	(646)	-
20	United Phosphorus Holding, Brazil B.V.	EUR	82.28	15	9,622	1,10,769	1,29,896	28,764	370	(881)	494	(387)	-
21	Desarrollo Quimico Industrial, S.A., Spain (Refer Note: 6)	EUR	82.28	-	-	-	-	-	-	-	-	-	-
22	Cerexagri Italia S.R.L.	EUR	82.28	82	2,291	31,026	28,653	-	23,034	563	(479)	84	-
23	Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain (Refer Note: 3, 6)	EUR	82.28	45	5,495	13,634	8,095	-	19,405	753	(241)	513	-
24	Agrindustrial, S.A., Spain (Refer Note: 6)	EUR	82.28	-	-	-	-	-	-	-	-	-	-
25	Phosfonia, S.L.,Spain (Refer Note: 3)	EUR	82.28	-	-	-	-	-	-	-	-	-	-
26	Decco Iberica Postcosecha, S.A.U., Spain (Formerly Cerexagri Iberica)	EUR	82.28	148	5,274	7,642	2,220	-	8,668	784	(239)	545	-
27	Transterra Invest, S. L. U., Spain	EUR	82.28	7,088	(2,250)	27,363	22,525	-	-	(636)	321	(315)	-
28	Cerexagri S.A.S.	EUR	82.28	10,896	10,235	39,839	18,708	-	66,227	2,222	(291)	1,930	-
29	Aspen SAS	EUR	82.28	1	(0)	1	-	-	-	(0)	-	(0)	-

Notes to Consolidated financial statements for the year ended 31st March 2014

39 | 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. Accordingly the information in aggregate for each subsidiary including subsidiaries of subsidiaries is as follows: (Contd.)

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to exemption received under section 212(8) of the Companies Act, 1956 relating to subsidiary companies

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
30	Aspen Holding SAS	EUR	82.28	1	(0)	0	-	-	-	(0)	-	(0)	-
31	Neofog	EUR	82.28	165	309	733	259	-	1,176	249	(72)	177	-
32	JPB Courtage	EUR	82.28	7	123	509	380	-	1,609	227	(50)	177	-
33	United Phosphorus Switzerland Limited.(Refer Note: 5)	CHF	67.53	68	25	117	25	-	-	(10)	(1)	(11)	-
34	Agrodan, ApS	DKK	11.02	276	1,779	2,178	123	-	-	58	(14)	44	33
35	United Phosphorus Limited, Belgium S P R L	EUR	82.28	15	(58)	1	43	-	-	(8)	-	(8)	-
36	Decco Italia SRL,Italy	EUR	82.28	865	2,958	5,921	2,099	-	5,220	345	(156)	188	-
37	JSC United Phosphorus Limited, Russia	RUB	1.68	1	96	4,613	4,517	-	2,125	(273)	-	(273)	-
38	United Phosphorus Inc., U.S.A. (Refer Note: 2)	USD	59.92	1	42,449	1,48,848	1,06,399	-	1,91,168	8,347	(2,224)	6,123	-
39	UPI Finance LLC (Refer Note: 2)	USD	59.92	-	-	-	-	-	-	-	-	-	-
40	Cerexagri, Inc. (PA) (Refer Note: 2)	USD	59.92	-	-	-	-	-	-	-	-	-	-
41	Cerexagri Delaware, Inc.,USA (Refer Note: 2)	USD	59.92	-	-	-	-	-	-	-	-	-	-
42	Canegrass LLC, USA (Refer Note: 2)	USD	59.92	-	-	-	-	-	-	-	-	-	-
43	Decco US Post-Harvest Inc (US)	USD	59.92	0	4,196	11,651	7,456	-	18,890	1,600	(521)	1,079	-
44	RiceCo, L.L.C. (Refer Note: 2)	USD	59.92	-	-	-	-	-	-	-	-	-	-
45	RiceCo International, Inc	USD	59.92	3	11,371	15,324	3,950	-	25,988	6,412	-	6,412	-
46	Bio-win Corporation Limited, Mauritius	USD	59.92	50,089	37,960	4,30,416	3,42,963	597	51,144	23,826	259	24,085	-
47	UPL Limited, Mauritius (Formerly known as Uniphos Limited,Mauritius)	USD	59.92	183	34,307	34,493	3	-	-	18,572	-	18,572	-
48	United Phosphorus Limited, Gibraltar	USD	59.92	2	29,519	36,287	6,765	-	-	7,607	-	7,607	-
49	UPL Limited, Gibraltor (Formerly known as Uniphos Limited, Gibraltor)	USD	59.92	2	82,954	1,48,773	65,817	-	1,72,327	34,530	-	34,530	-
50	United Phosphorus de Mexico, S.A. de C.V.	MXN	4.59	24	1,961	17,801	15,815	-	30,208	403	(214)	189	-
51	Decco Jifkins Mexico Sapi	MXN	4.59	2	(15)	779	792	-	1,004	61	(20)	41	-
52	United Phosphorus do Brasil Ltda	BRL	26.48	185	(141)	92	47	-	331	29	(7)	22	-
53	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	BRL	26.48	32,047	(8,423)	93,200	69,576	-	-	4,912	(506)	4,407	-
54	United Phosphorus Indústria E Comércio de Produtos Químicos Ltda.	BRL	26.48	71,352	(3,895)	67,478	21	-	192	6,906	-	6,906	-
55	UPL Do Brasil Industria e Comércio de Insumos Agropecuários S.A. (Refer Note: 7)	BRL	26.48	22,230	32,637	1,77,911	1,23,044	-	1,43,059	2,645	(622)	2,024	-
56	UPL Costa Rica S.A. (Formerly known as Cerexagri Costa Rica, S.A.)	CRC	0.11	78	(634)	9,591	10,147	-	12,856	(501)	(100)	(601)	-
57	UP Bolivia S.A.	BOB	8.67	306	(312)	1,147	1,153	-	594	(162)	-	(162)	-
58	Icona Sanluis S A - Argentina	ARS	7.49	222	617	6,623	5,784	-	6,918	128	(44)	85	-

Notes to Consolidated financial statements for the year ended 31st March 2014

39 | 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. Accordingly the information in aggregate for each subsidiary including subsidiaries of subsidiaries is as follows: (Contd.)

FINANCIAL YEAR : 2013 - 2014

Statement pursuant to exemption received under section 212(8) of the Companies Act, 1956 relating to subsidiary companies

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
59	DVA Technology Argentina (Refer Note: 7)	BRL	26.48	-	-	-	-	-	-	-	-	-	-
60	Icona S A - Argentina	ARS	7.49	6,981	(6,038)	29,725	28,782	-	16,693	(8,394)	3,008	(5,386)	-
61	Decco Chile SpA	CLP	0.11	1	11	762	750	-	906	51	-	51	-
62	UPL Colombia S.A.S (Formerly known as Evofarms Colombia S.A.)	COP *	30.50	1,788	(1,290)	9,668	9,170	-	11,007	(1,133)	30	(1,103)	-
63	United Phosphorus Cayman Limited	USD	59.92	0	2,329	16,597	14,268	-	22,175	1,610	(546)	1,064	-
64	UP Aviation Limited	USD	59.92	0	1,222	7,318	6,096	-	-	623	-	623	-
65	UPL Australia Limited (Formerly known as United Phosphorus Limited, Australia)	AUD	55.43	55	966	7,257	6,236	-	10,851	18	(5)	13	-
66	UPL New Zealand Limited (Formerly known as United Phosphorus Limited, New Zealand)	NZD	52.04	-	124	280	157	-	482	51	(12)	39	-
67	United Phosphorus (Shanghai) Company Limited (Refer Note: 8)	RMB	9.64	-	-	-	-	-	-	-	-	-	-
68	UPL Limited, Korea (Formerly known as United Phosphorus (Korea) Limited)	KRW	0.06	39	(46)	196	202	-	39	204	-	204	-
69	United Phosphorus (Taiwan) Limited	TWD	1.97	20	(44)	3	27	-	-	(1)	-	(1)	-
70	PT. United Phosphorus Indonesia	IDR *	5.27	52	22	810	737	-	444	12	-	12	-
71	PT Catur Agrodaya Mandiri, Indonesia	IDR *	5.27	80	(378)	3,030	3,328	-	3,124	(121)	-	(121)	-
72	UPL Limited, Hong Kong (Formerly Known as United Phosphorus Limited, Hongkong) (Refer Note: 8)	USD	59.92	1	4,213	21,250	17,036	-	25,016	1,402	-	1,402	-
73	United Phosphorus Corp. Philippines	PHP	1.34	115	30	1,154	1,009	-	1,227	50	(13)	37	-
74	United Phosphorus Vietnam Co., Limited	VND *	2.84	410	1,549	4,431	2,472	-	5,964	350	(42)	307	-
75	United Phosphorus Limited, Japan	JPY	0.59	3,191	151	9,070	19,396	13,668	17,357	321	(171)	150	-
76	Anning Decco Fine Chemical Co. Limited, China	RMB	9.64	772	1,641	2,657	244	-	3,196	8	(1)	7	-
77	Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey	TRY	27.32	83	2,602	7,513	4,828	-	6,402	(183)	(53)	(235)	-
78	UPL Agromed Tohumculuk Sanayi ve Ticaret	TRY	27.32	2,320	1,544	8,370	4,506	-	6,549	504	(79)	425	-
79	Safepack Products Limited	ILS	17.11	-	4,708	6,260	1,552	-	3,668	458	(113)	345	-
80	Citrashine (Pty) Ltd, South Africa	ZAR	5.66	0	41	2,394	2,353	-	2,576	292	(46)	246	-
81	Friedshelf	ZAR	5.66	1	-	1	-	-	-	-	-	-	-
82	Prolong Limited	ILS	17.11	-	150	425	275	-	285	(4)	-	(4)	-

Notes to Consolidated financial statements for the year ended 31st March 2014

39 | 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. Accordingly the information in aggregate for each subsidiary including subsidiaries of subsidiaries is as follows: (Contd.)

Details of Investments of subsidiary companies:	Amt Rs lacs
Investments (long term):	
In equity shares/debentures:	
31 Redeemable Optionally Convertible Debentures in Gowal Consulting Private Limited.	3,100
20,482 shares of Villa Crop protection (PTY) Ltd.	597
11,700,000 shares of Ishihara Sangyo Kaisha Ltd.	13,647
100 shares of Natural Art KK	21
Investment in Kapchem (Ireland) Limited	296
800,977,779 Equity shares of Sipcam UPL Brazil SA	28,764
Total	**46,425**

Notes :-

1 As required under the Approval Letter issued by the Ministry of Company Affairs, 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 31/03/2014

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

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

4 Below entity is disolved/divested during the year:

Agricultural Chemicals N.V.

5 During the year, AgriChem Helvetica GmbH was merged with United Phosphorus Switzerland Limited.

6 During the year, Desarrollo Quimico Industrial, S.A., Spain and Agrindustrial, S.A., Spain were merged in Compania Espanola Industrial Quimica de Productos Agricolas Y Domesticos, S.A.U.,Spain

7 UPL do Brasil Industria e Comércio de Insumos Agropecuários S.A. results include the result DVA Technology Argentina

8 United Phosphorus Limited, Hongkong results includes the results of United Phosphorus (Shanghai) Company Limited

* Exchange rate in INR of COP, IDR & VND currency is per thousand of these currencies.

40 | Dividend Distribution Tax

During the year ended March 31, 2013, the Holding Company had made provision for Dividend distribution tax (DDT) amounting to Rs.1,881 Lacs. During the current year, the Holding Company has received dividend from its foreign subsidiary company which is eligible to be set off while calculating DDT on payment of dividend by the Holding Company. After this set off, no DDT is payable by the Holding company and accordingly the aforesaid provision of DDT of Rs.1,881 Lacs has been written back to surplus in the statement of profit & loss.

41 |

A. Acquisition of additional stake in UPL do Brasil

During the year, the Company, through its step-down wholly owned subsidiary Uniphos Industria e Comercio acquired 46,551,130 additional shares of its Brazilian subsidiary UPL do Brasil for a consideration of Rs. 8,288 lacs, thereby increasing the Group shareholding from 51% to 73%. The resultant capital reserve amounting to Rs. 5,837 lacs has been adjusted against the related existing goodwill in the consolidated financial statements.

B. Settlements with previous shareholder's under Share Purchase Agreement

(i) Settlement of contingent consideration

Based on the share purchase agreement dated July 25, 2011, the Group recorded a liability towards contingent consideration amounting to Rs. 16,064 lacs (equivalent to Brazilian Real 56,245 thousand) at the time of acquisition. The revalued liability towards the contingent consideration as at March 31, 2013 was Rs. 16,757 lacs.

During the year ended 31 March 2014, the Group and other shareholders of UPL do Brasil reviewed the share purchase

Notes to Consolidated financial statements for the year ended 31st March 2014

agreement and contractual conditions and the Group paid an amount of Rs. 9,956 lacs (equivalent to Brazilian Real 36,800 thousand) to previous shareholders as settlement of contingent consideration. The difference between the liability in books at the date of payment and the amount paid has been accounted in the consolidated financial statements as below:

- An amount of Rs. 5,257 lacs, which was considered as part of cost of investment at the time of original acquisition, has been adjusted against goodwill; and
- Balance amount of Rs. 1,544 lacs being exchange difference accounted through the statement of profit and loss over the period has been written back to the statement of profit and loss under the head 'Other income'.

(ii) Receipt of indemnity claims

During the year ended 31 March 2014, the Group received an amount of Rs. 8,064 lacs (equivalent to Brazilian Real 30,000 thousand) as settlement of representations and warranties as per the share purchase agreement from previous shareholders of UPL do Brasil in respect of certain receivables, inventories and taxes, which has been netted off with the related expenses in the consolidated financial statements.

42 | Sale of stake in Sipcam UPL Brasil S.A

The Company's overseas subsidiary has entered into an agreement on March 31, 2014 with an Italian company Sipcam S.P.A to sell its entire stake of 50% in the Brazilian agrochemical company Sipcam UPL Brasil S.A, subject to fulfilment of certain conditions and approvals. The gross consideration amount of the transaction is USD 58.50 million (approximately Rs. 35,100 lacs). The transaction is expected to be completed by June 2014 and hence no impact has been given in the consolidated financial statements for the year ended March 31, 2014.

43 |

In view of acquisitions, sale/liquidation of subsidiaries, sale/ liquidation of Joint venture and acquisition of associates during the year, the current year figures are not comparable with those of the previous year.

44 |

Previous Year figures have been re-grouped / re-arranged wherever necessary.

As per our report of even date

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

per Sudhir Soni
Partner
Membership no.: 41870

Place: Mumbai
Date: 25th April, 2014

For and on behalf of the Board of Directors of
UPL Limited

R.D.Shroff
Chairman & Managing Director

A.C.Ashar
Whole-time Director

Anand Vora
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2014

Corporate information

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. Reena Ramachandran

Mr. Pradip Madhavji

Mr. Vinod Sethi

Mr. Suresh P. Prabhu

Company Secretary
Mr. M. B. Trivedi

Auditors
S.V. Ghatalia & Associates LLP

Chartered Accountants

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

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

ICICI Bank Ltd.

ING Vysya Bank Ltd.

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

Debenture Trustees
IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17. R. Kamani Marg Ballard Estate
Mumbai– 400 001

UPL Limited
Uniphos House, C. D. Marg
Madhu Park, Khar (West)
Mumbai 400 052.

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UPL Limited
(Formerly known as United Phosphorus Ltd.)
CIN : L24219GJ1985PLC025132

Share Dept. : 8, Shri Krishna Commercial Centre, Ground Floor, Opp. Raheja Solitaire, 6, Udyog Nagar, Off S. V. Road, Goregaon (W), Mumbai - 400 062, India. Tel. : (91-022) 2872 4862, 2875 5486 Fax : (91-022) 2875 3485
Regd. Off. : 3-11, GIDC, Vapi - 396 195, Gujarat, India. Tel. : (91-0260) 2400717, 2401718-19
Corporate Off. : Uniphos House, Madhu Park, 11th Road, Khar (W), Mumbai - 400 052, India. Tel. : (91-022) 2646 8000 Fax : (91-022) 2604 1010

UPL Limited
(Formerly United Phosphorus Limited)
SYMBOL : UPL

FORM A

(Pursuant to clause 31(a) of the listing agreement with Stock Exchanges)

1.	Name of the Company:	UPL Limited (Formerly United Phosphorus Limited)
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified / ~~Matter of Emphasis~~
4.	Frequency of observation	~~Whether appeared first time ..... / repetitive ..... / since how long period ...~~ Not Applicable
5.	Signed by- R. D. Shroff Chairman & Managing Director A. C. Ashar Director Finance Pradip Madhavji Audit Committee Chairman Place of Signature: Mumbai Date: July 28, 2014	Signed by- For S.V. Ghatalia & Associates LLP Chartered Accountants Firm's Registration Number: 103162W per Sudhir Soni Partner Membership Number: 41870 S.V. GHATALIA & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS Place of Signature: Mumbai Date: July 28, 2014