UPL OpenAg™

UPL Limited, UPL House
610 B/2, Bandra Village
Off Western Express Highway
Bandra (East), Mumbai 400 051, India

w: upl-ltd.com
e: contact@upl-ltd.com
t: +91 22 7152 8000

7th August 2020

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400 001 **SCRIP CODE: 512070**	National Stock Exchange of India Ltd Exchange Plaza, C/1, Block G Bandra Kurla Complex, Bandra East Mumbai – 400 051 **SYMBOL: UPL**

Sub: Notice convening 36th Annual General Meeting and Annual Report for FY2019-20

Dear Sir/Madam,

This is further to our letter dated 3rd August 2020 intimating about the 36th Annual General Meeting ("AGM") of UPL Limited scheduled on Monday, 31st August 2020 at 3 p.m. (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) in compliance with the applicable provisions of the Ministry of Corporate Affairs and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with the Circulars issued from time to time.

In continuation to the aforesaid letter and pursuant to Section 108 of the Companies Act, 2013, Regulations 30, 34 and 44 of the SEBI Listing Regulations, we are enclosing herewith Notice convening the 36th AGM and the Annual Report for FY2019-20.

The aforesaid documents are available on the website of the Company www.upl-ltd.com and are also being dispatched to all the eligible shareholders whose email IDs are registered with the RTA / Company / Depositories.

The details such as manner of (i) registering / updating email addresses, (ii) casting vote through e-voting and (iii) attending the AGM through VC / OAVM has been set out in the Notice of the AGM.

The Company has fixed Monday, 24th August 2020 as the "Cut-off Date" for the purpose of determining the members eligible to vote on the resolutions set out in the Notice of the AGM or to attend the AGM.

The remote e-voting facility commences on Friday, 28th August 2020 from 9.00 a.m. (IST) and ends on Sunday, 30th August 2020 at 5.00 p.m. (IST). Those shareholders, who will be present in the AGM through the VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

We request you to take the above on record.

Thanking you,

Yours faithfully,
for **UPL Limited**

Sandeep Deshmukh
Company Secretary and
Compliance Officer
(ACS-10946)

Encl: As above

UPL
OpenAg™

OpenAg™

An agriculture network that feeds sustainable growth for all.

No limits, no borders.

UPL Limited
Annual Report 2019-20

Our purpose is to create...

A network for agriculture, activating connections across the world's agriculture system. Powering new levels of sustainable growth – for farmers, for producers, for customers and partners, for societies everywhere.

Ours is a world of no limits and no borders. Not a hard-wired linear value chain, but an agile, fluid network of relationships and interplays that leapfrog traditional boundaries and jump to new opportunities. Where connections are more personal and solutions more personalised.

From crop protection, to biosolutions, to innovative hybrid platforms and beyond...

We create more choices, faster access, greater value and sustainability...

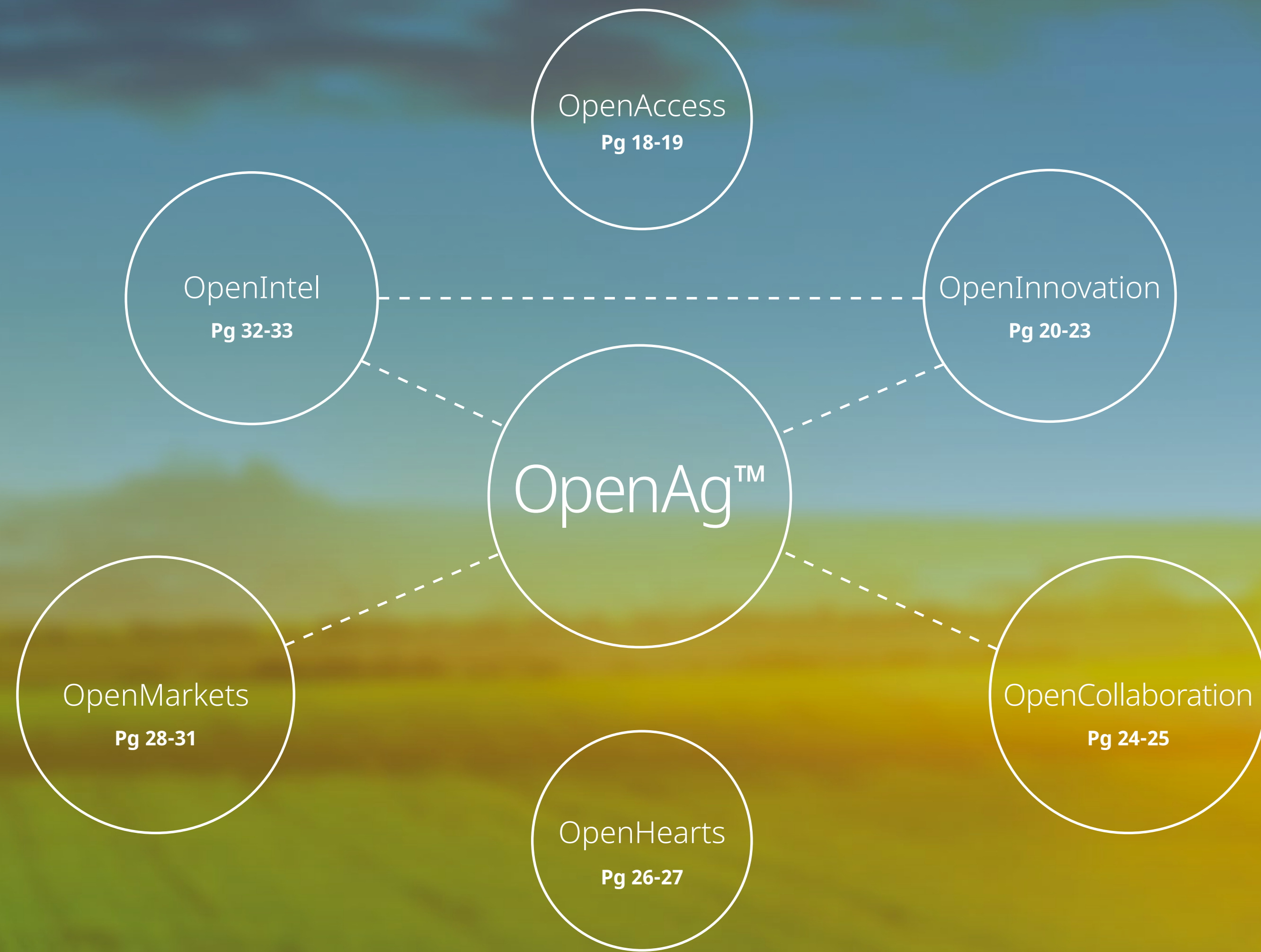
Where open possibilities shape the future in an interactive and synergistic way...

An agriculture network that feeds sustainable growth for all.

No limits, no borders.

OpenAg™

OpenAg™ **in action**



Read inside

WELCOME TO OUR WORLD

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Focused on ushering in growth and progress for the complete agricultural value chain

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Driving future growth through a purpose-driven culture

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Investing in profitable growth, empowered by a new purpose

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Creating value for our stakeholders through disruptive and innovative thinking, aligned to evolving trends

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Nurturing a high-performance culture that drives responsible growth

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Making food systems more sustainable

We are committed to creating sustainable and robust food systems that can withstand the perils of climate change or any other crisis, enabling farmers across geographies to protect their crops; and ensuring food security for billions of people.

We have huge market access to the world's food basket and are focused on high-growth regions. Our aim is to transform agriculture through OpenAg, an agriculture network that feeds sustainable growth for all. No limits, no borders.

We offer an integrated portfolio of both patented and post-patent agricultural solutions, including crop protection, BioSolutions and seed treatments, for various row crops and specialty crops spanning the entire crop value chain.

Vision

Our vision is to be an icon for growth, technology and innovation.

Mission

Change the game – to make every single food product more sustainable.

Values

ALWAYS HUMAN

We are all about connecting with people, in a human way – showing respect, demonstrating trust, celebrating diversity. For us, technology is an enabler, not the endgame. We see the value in human connectivity and how it creates new opportunities for everyone. With this, comes our promise to protect people's safety in every way we can.

NOTHING'S IMPOSSIBLE

There isn't any limit to our ambition or our ability to grow. We are not afraid to run with new ideas, work with new partners, anticipate new needs, push ourselves beyond our comfort zones or simply ask 'Why not?'. We dare to change the game and create a new food economy for the world.

WIN-WIN-WIN

We serve a cause bigger than ourselves – sustainability of global food systems. We win when we create sustainable solutions based on responsible choices, when everyone we serve and partner with grows too, and when together we achieve sustainable growth for society as a whole – the biggest win of all.

LIVE UPL

WORK UPL

ONE TEAM, ONE FOCUS

We are one team, for maximum impact. One team with shared goals. We all play for the team and no one plays against the team. We have a laser-like focus on what our customers need, anticipating their future needs and on how we can create innovative solutions and experiences for them.

AGILE

No one is faster or more efficient. We thrive on targets and challenges that, while possibly daunting at first glance, only excite and energise us. Wherever we operate, speed and agility are in our DNA. The world needs our urgency.

KEEP IT SIMPLE, MAKE IT FUN

Food systems are highly complex and present huge challenges. We cut through this by keeping it simple. People value simplicity, customers especially. And everyone likes fun, so let's have some, doing what we love to do.

Rich legacy, robust leadership

5th Largest crop protection company globally

80%+ Revenue from branded products

138+ Countries with sales presence

40+ Successful acquisitions in the preceding 25 years

~10,000 Employees globally

50 year Legacy that lives on and empowers stakeholders

1,266 Patents granted

13,600 Registrations

44 Manufacturing facilities

1,283 Product formulation

As on March 31, 2020

Performance in FY2020

FINANCIAL

In a challenging operating scenario, we have delivered on our commitments with strong financials, driven by a rich innovation spectrum in our product portfolio and growing prominence in bio-solutions.

Revenue* 13%^
₹ 35,756 cr

EBITDA* 18%^
₹ 7,452 cr

Profit after tax** 38%^
₹ 2,801 cr

Earnings per share** 19%^
₹ 23.24

Cost synergies
₹ 773 cr

Debt reduction
₹ 4,400 cr

Significant potential of combined pipeline (peak sales value)
₹ 20,000 cr

ENVIRONMENTAL

We continue to push the edge of our 'sustainability envelope' by closely monitoring and improving upon our environmental performance through faster adoption of green energy; and lowering our emission levels significantly.

17%
Power emanates from renewable sources in our largest two manufacturing plants

60%
Of our plants achieved zero liquid discharge

SOCIAL

We broad-based our societal impact by supporting communities in the vicinity of our operations and gradually expanding our arc of need-based interventions.

3.54%#
Of net profit spend on CSR activities

6.7 lakh
Lives impacted through CSR interventions

*Considers Arysta numbers for full year FY2019 and before adjustment for purchase price allocation
**Considers Arysta numbers for two months for FY2019 (acquisition in Feb 2019) and after adjustment for purchase price allocation
Percentage based on CSR spent in India as a percentage of UPL Limited standalone profits

Crafting new pathways and possibilities

In FY2019, we acquired Arysta LifeScience in an all-cash US$ 4.2 billion deal. Today, the combined entity has emerged as the world's fifth largest crop protection solutions company, with sales of US$ 5 billion in FY2020.

During the year under review, we successfully completed the integration in record time across products, systems, businesses, markets, cultures, IT platforms, R&D pipeline and global teams.

Our teams are rallied around our strategic purpose. Moreover, we have started delivering on cost and revenue synergies with unwavering focus on value creation for all those who have a stake in our progress.

₹ 773 cr
Cost synergies achieved in FY2020

₹ 1,693 cr
Revenue synergies achieved in FY2020

UPL and Arysta confluence has created a new global leader

- Creating a Tier-1 player with the scale to win using expanded geographic reach
- Agile company with great customer advocacy and customer insights, driven by innovation
- End-to-end offerings from seeds to post-harvest
- Leader in high-growth BioSolutions and emerging markets
- Best-in-class asset and R&D efficiency with unique manufacturing capabilities

A closer look at integration outcomes

We integrated Arysta ahead of plan and delivered on the synergy targets.

Cost synergies

- Optimising manufacturing footprint
- Increasing procurement efficiency
- Enhancing R&D efficiency curve by in-sourcing R&D activities to bolster efficiency and by expanding bandwidth to access emerging technologies
- Consolidating into one shared IT platform, hence reduction of IT infrastructure cost
- Integrating headquarter operations and other support functions

Revenue synergies

- **Leveraging complementary portfolios (solution selling):** Meeting grower/ channel requirements through complementary AI portfolio and access to new crops with a broader base of generic and proprietary products
- **Cross-sell through expanded geographic reach:** Both companies expanding sales by leveraging each other's complementary geographic presence

Innovation continues unabated

Crop solutions that had ushered in powerful societal and economic outcomes in the past have to be improved upon in response to emerging challenges and evolving market realities. Hence, we are committed to driving our innovation engine faster to offer a comprehensive solutions portfolio to growers and other supply chain partners to protect and enhance crop yield in all phases of the crop cycle, combining BioSolutions and Crop Protection.

Products

SEEDS

Through our group company Advanta, we are providing farmers with innovative high-quality seeds and with local expertise to ensure sustainable crop production and profitability of farmers. Over the years, UPL has established one biotech and 22 research stations to develop more disease-resistant and high-yielding seed varieties. Our unique, superior, and proprietary germplasm, combined with technology and bioscience capability, provides us market leadership in several crop seeds. We help farmers by deploying world-class crop technologies with biotechnology for value-added traits like:

- HIGH-QUALITY OIL
- HIGH YIELD
- DISEASE AND PEST RESISTANT
- DROUGHT AND SALINITY TOLERANCE

Crops


Sorghum (grain and forage)


Corn


Sunflower


Wheat


Soya


Oats


Canola


Rice


Vegetable


Pearl millets


Mustard


Alfalfa

CROP PROTECTION

Being among the leading global producers and exporters of crop protection products, we are committed to upgrading crop adaptability and food security through our offerings. We apply best-in-class formulation technology with a localised approach to formulating mixtures that are highly flexible and responsive to customer requirements. We address every stage of the life cycle of crops and plants and aim to outperform the crop protection chemistry market by focusing on high-growth, high-value and high-differentiation segments through innovative products and well-designed treatment plans.

Offerings

- Herbicides
- Insecticides and Acaricides
- Fungicides
- Adjuvants
- Seed treatment
- ProNutiva

Offerings Cont.

Plant stress and stimulation

We offer an extensive portfolio of plant stress and stimulation that supports crop stimulation, nutrition as well as protection; and when combined with conventional products, improves crop resilience to withstand risks and biotic stress for improved yield, quality and profitability to growers.

A portfolio specifically designed to unlock crop development potential at each of the five crop life cycle stages for sustainable and intensified production.

Post-harvest solutions

We are determined to reduce food wastage/ loss caused by pests, diseases, and improper storage practices. We offer detailed post-harvest solutions across the agri-market sector to improve marketability and income of farmers.

Offerings

- Growth Vitality Technology
- NUE/Fruit Set Technology
- Finishing Technology
- Anti-Stress Technology

- Grain Storage
- Fruit Storage
- Potato Storage
- Innovation
- Research & Development

Soil and water technologies

We offer superior plant formulations based on mineral and non-mineral nutrients by the plant in the most technologically efficient manner for agriculture, nursery, industries and home and gardens. UPL's Zeba is a patented soil enhancement technology, the culmination of a research-led by USDA. An excellent water management tool that also improves soil health, Zeba is environment-friendly and leaves no residue. With its wide range of applications across terrains, crops and climate zones, it will surely change the face of agriculture.

Aquatics

We offer products that are non-toxic to humans and fish (when used according to the label). These products are designed to interfere with plant processes and therefore have no impact on fish or humans. The products and solutions focus on aquatic plant and algae management, which include algicides and herbicides in irrigation canals, ponds and freshwater lakes. Our digital tools (UPL Aquatics, Cascade-Teton app, BioBase UPL treatment tool) help create the right aquatics solutions.

SOLUTIONS

ProNutiva®

ProNutiva® is leading the way, with the integration of naturally-derived crop production tools and conventional crop protection chemistries to create novel crop solutions that meet the evolving demands of the entire food chain.

Offerings

BioProtection

Environment-friendly and sustainable pest and disease solutions that ensure better crop protection through use of naturally-derived substances. Our BioProtection solutions not only provide improved pest and disease control but facilitate pest resistance and chemical residue management for improved harvested crop yield, quality and grower profitability.

BioStimulation

Crop production intensification and sustainability can be enhanced through the use of our Plant Stress & Stimulation portfolio throughout all stages of the Crop Life Cycle (Unlock 5).These consist of naturally-derived substances or micro-organisms that, when applied to seeds, plants or the rhizosphere, stimulate natural processes to enhance or benefit nutrient uptake, nutrient use efficiency, tolerance to abiotic stress and enhanced crop yield and quality.

BioNutrition

With the emphasis on sustainable agricultural practices, the demand for and use of nutrition products that address crop production and environmental issues simultaneously is increasing. We have formulated this product to enhance nutrient availability, uptake and plant use efficiency.

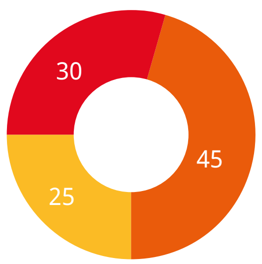
Farmer engagement

We are working with local farmers continuously and ensuring that the latest in farming practices are easily accessible to them at appropriate times. UPL Centre for Agriculture Excellence (CAE), Nahuli, Gujarat provides free training of modern scientific agriculture. We conduct sessions for sharing knowledge and innovation. We are also providing expert advice, quality products, along with necessary guidance to enhance farming practices.

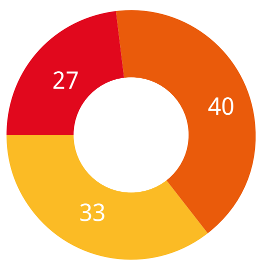
Widening focus, footprint across continents

We are ensuring reliable supply and competitive offerings to customers through our manufacturing and through cultivating strong supplier partnerships. We enjoy a unique combination of our in-house active ingredient and 'close to customer' formulation facilities.

MARKET OF SALES BY CATEGORY (%)*

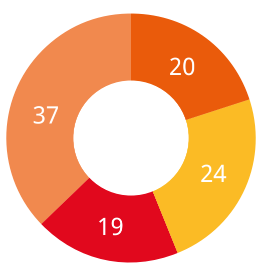


UPL % OF SALES BY CATEGORY

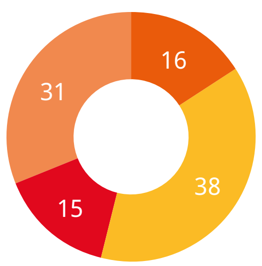


Herbicides Insecticides Fungicides

MARKET OF SALES BY REGION (%)*

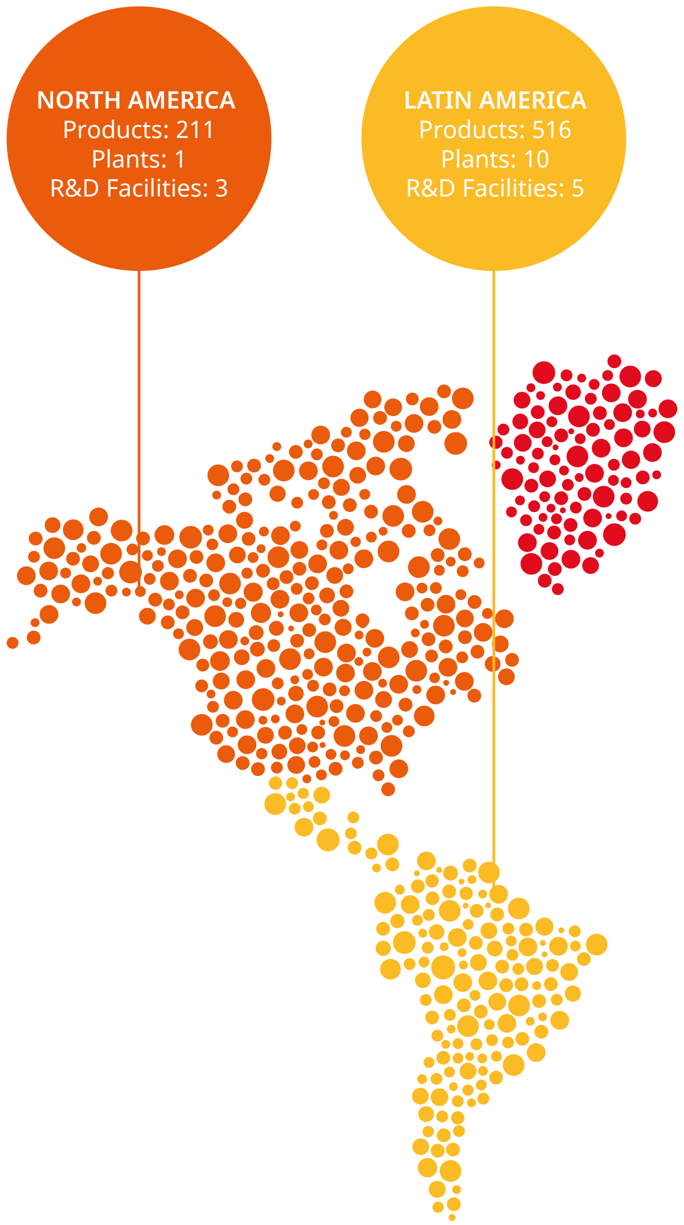


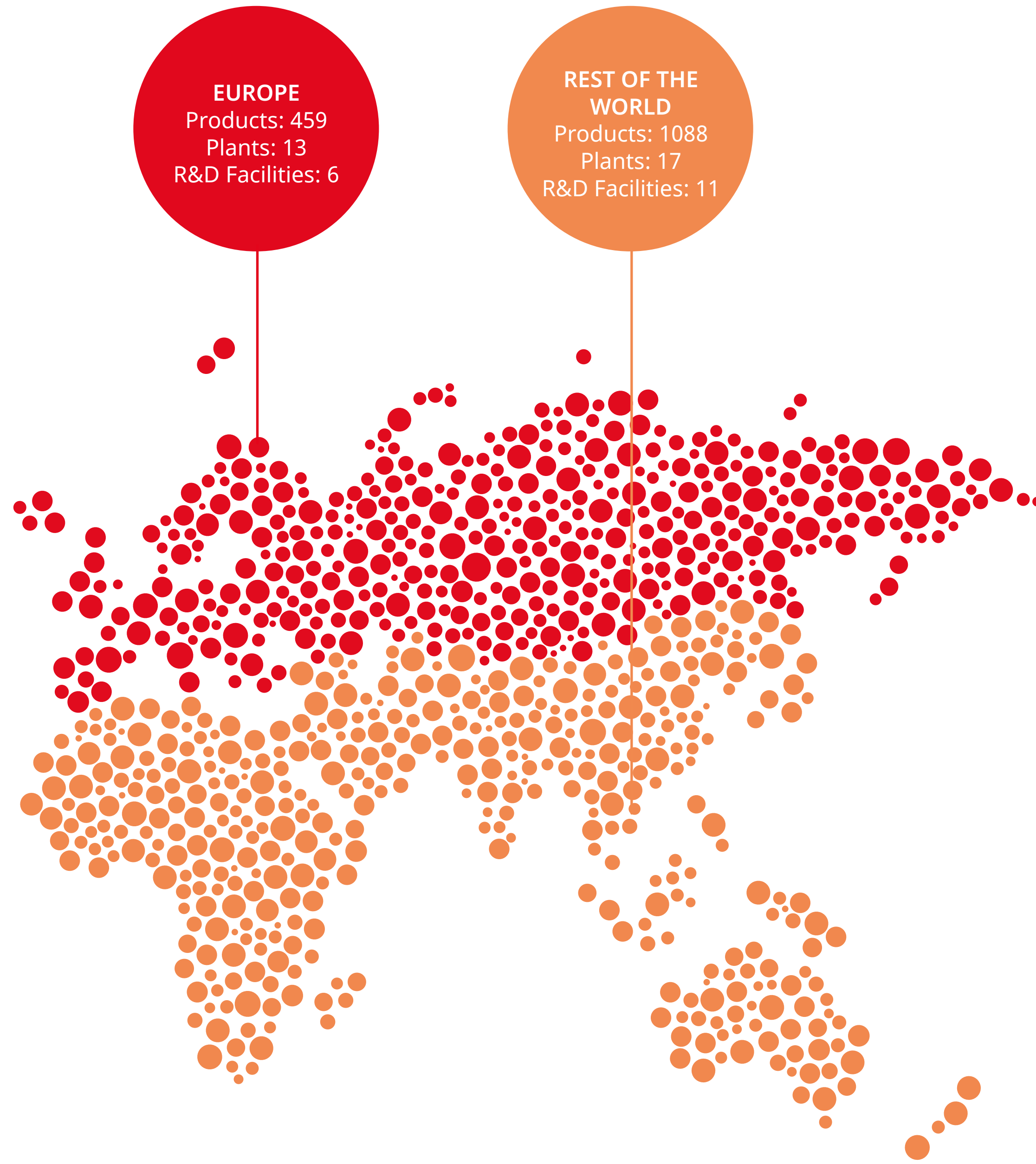
UPL % OF SALES BY REGION



North America Latin America Europe Rest of the World

*Source: Phillips McDougall; IMAP-Kynetec, FY2020 actual numbers for UPL Ltd.





Full-time equivalents (FTEs)

R&D FTEs	72	112	208	309
Commercial FTEs	128	692	392	1,332
Total FTEs	320	1,818	1,355	6,087

Encouraging financial outcomes

Profit and loss

REVENUES* (₹ in crore)

₹ 35,756 cr — 20% (CAGR)

FY2016	14,660
FY2017	16,680
FY2018	17,506
FY2019	31,616
FY2020	35,756

EBITDA* (₹ in crore)

₹ 7,452 cr — 22% (CAGR)

FY2016	2,711
FY2017	3,429
FY2018	3,517
FY2019	6,312
FY2020	7,452

EBITDA MARGIN* (%)

20.8% — 80 bps y-o-y

FY2016	18.5
FY2017	19.8
FY2018	20.2
FY2019	20.0
FY2020	20.8

CASH FROM OPERATIONS (₹ in crore)

₹ 8,739 cr — 44% (CAGR)

FY2016	1,396
FY2017	2,669
FY2018	2,839
FY2019	2,356
FY2020	8,739

PAT**@ (₹ in crore)

₹ 2,801 cr — 21% (CAGR)

FY2016	1,081
FY2017	1,814
FY2018	2,093
FY2019	2,026
FY2020	2,801

EPS** (₹)

₹ 23.24 — 5% (CAGR)

FY2016	18.54
FY2017	34.06
FY2018	26.51
FY2019	19.52
FY2020	23.24

*Considers Arysta numbers for full year FY2019 and before adjustment for purchase price allocation

**Considers Arysta numbers for two months for FY2019 (acquisition in Feb 2019) and after adjustment for purchase price allocation

@ Profit before exceptional items and minority interest

Balance sheet

NET WORTH (₹ in crore)

₹ 19,282 cr — 27% (CAGR)

FY2016	5,889
FY2017	7,397
FY2018	9,169
FY2019	14,715
FY2020	19,282

FIXED ASSETS (₹ in crore)

₹ 18,512 cr — 34% (CAGR)

FY2016	3,929
FY2017	4,444
FY2018	5,324
FY2019	17,376
FY2020	18,512

GEARING RATIO* (times)

0.49 times

FY2016	0.69
FY2017	0.47
FY2018	0.29
FY2019	0.53
FY2020	0.47

RETURN ON CAPITAL EMPLOYED (%)

11.2% — 360 bps y-o-y

FY2016	18
FY2017	23.2
FY2018	23.4
FY2019	7.6
FY2020	11.2

*Gearing ratio is defined as long term liabilities divided by capital employed

OpenAccess

We are creating a network with our partners to be able to touch and transform farming practices across our wide geographic reach.

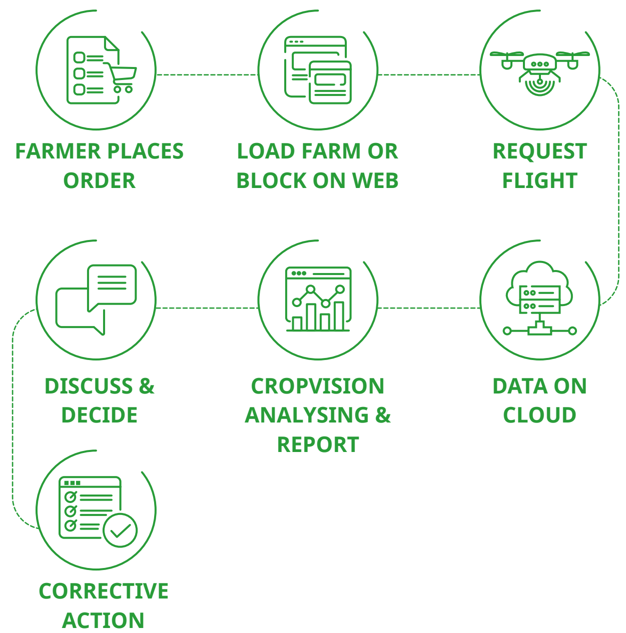
With deep understanding of small-holder markets, we have established a highly diversified business across all key crops and geographies. We enjoy a leading position in emerging markets, which will account for ~80% of projected agricultural production in the next three decades.

CASE STUDY

Driving advanced crop performance monitoring in Africa

We launched an initiative for using drones, Unmanned Aerial Vehicles (UAVs) and other aerial/vision technologies to make recommendation to growers. One of the primary objective being monitoring crops at specific stages, recommending rectification, and advancing solutions and ultimately predicting yield. This is a value addition for both grower and distributors, by monitoring every inch of the farm for early problem detection and accordingly responding with relevant actions. We completed the commercial launch in South Africa, followed by a global roll-out.

UPL'S DRONE FLEET SOLUTION



Enabling satellite enabled application services in India

We launched Adarsh Farm Service (AFS) in India, which uses state-of-the-art spraying machines specially adapted to small farms. The sprayers are supported by georeferenced sensor systems that monitor the correct application.

The concept has led to transformation in farming through better efficacy, enhanced yields and building close relationship with the farming community. Moreover, it reduces operator exposure during spraying operations.

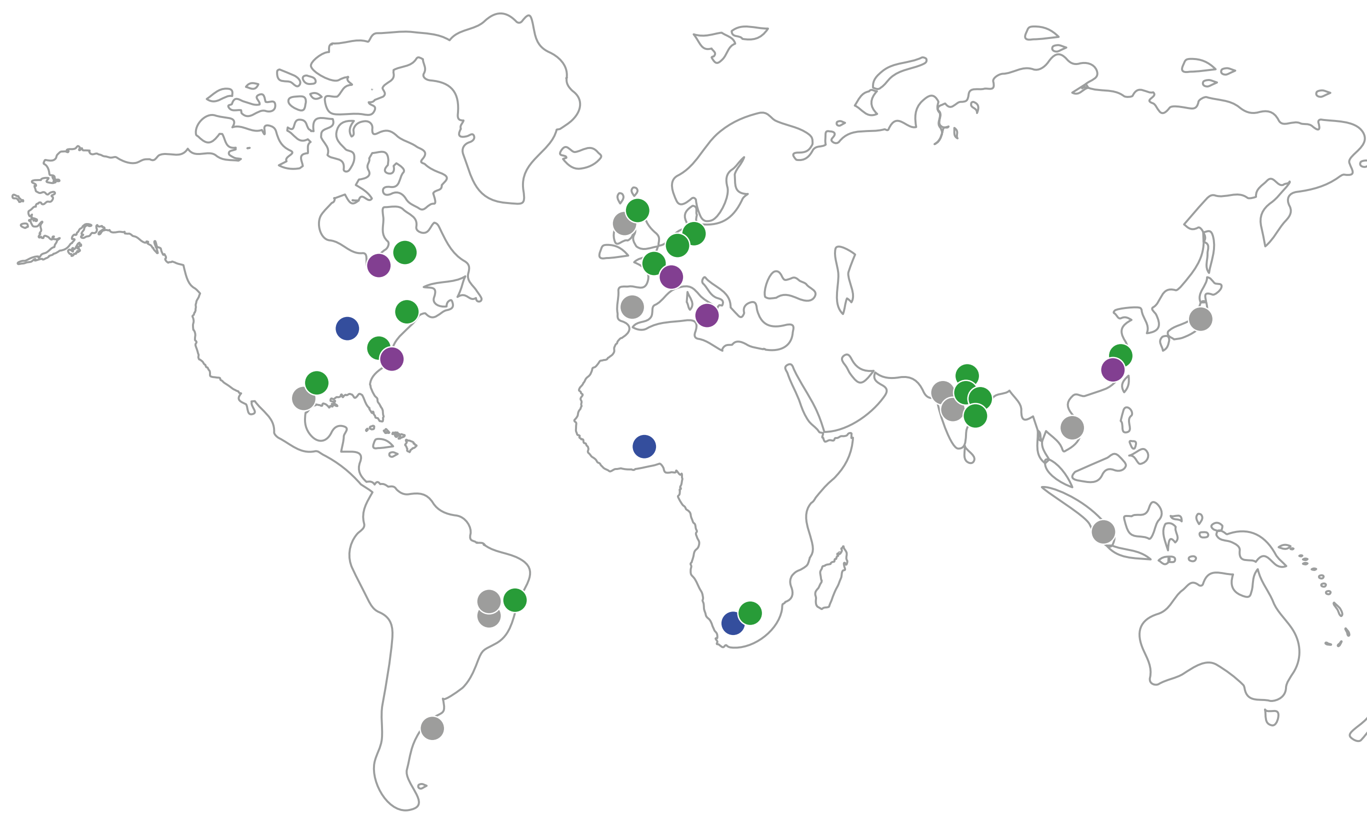
OpenInnovation

We are driving collaborative innovation to continuously and swiftly map and resolve customers' future needs, leading to significant gains.

As an innovation-driven company, we invest in reinforcing R&D capabilities coupled with focusing on off-patent molecules. We drive innovation 'from field to lab' and involve farmers and distribution partners.

We enjoy 1,000+ strong network with scientific community, research organisations, R&D companies and governments enabling us to constantly enhance our knowledge bandwidth. We are focusing on our core competencies, reduction of time to market and achievement of best-in-class R&D capital allocation.

Global network of field stations, chemistry and formulation R&D labs



25+
R&D facilities across four continents, including a new network of field research stations

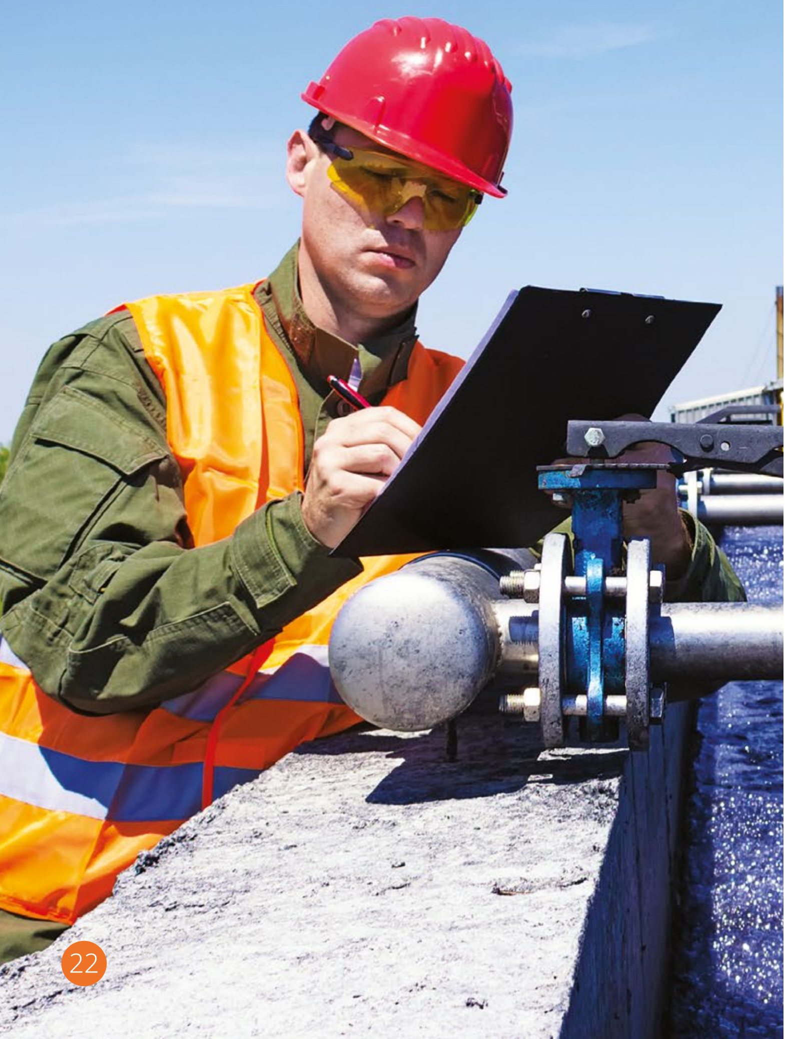
700+
R&D Professionals

- Existing field testing facilities
- Planned additions to the field testing network
- Synthesis and/or formulations
- GLP analytical

PROPRIETARY PIPELINE

38
New active ingredients in early stage

14
New active ingredients in late stage



R&D platform creating a strong pipeline

We are creating one of the leading R&D pipelines in the industry, leveraging our research capabilities, along with our strong complementary formulation development expertise.

Potential for UPL Proprietary AIs

PIPELINE	EARLY STAGE	LATE STAGE
Herbicides	5	1
Insecticides	10	3
Fungicides	15	7
BioStimulants	4	2
Seed Treatments	4	1
Total	**38**	**14**

Peak sales value of our proprietary pipeline accounts for US$ 1,000–1,500 million with projects reaching sales maturity progressively in 5 to 8 years.

CASE STUDY

For a bigger cause

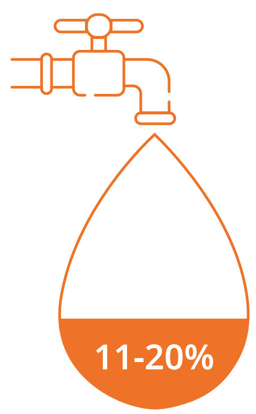
Saudi Arabia's government banned the export of PepsiCo potato chips into the Gulf region as they equate exporting of chips to exporting water. PepsiCo challenged itself to improve water efficiency of its direct agricultural supply chain by 15%. In high-water-risk-areas, this volume is equivalent to the entire water use of all PepsiCo'sdirect operations.

This was the perfect opportunity to see how UPL technology might change the face of agriculture in areas where saving water is critical and growing conditions are challenging. Zeba is our patented starch-based smart climate technology, a ground-breaking innovation that absorbs water and releases it back to plants when they need it, creating healthier plants, more uniform crops and higher yields. PepsiCo worked in close collaboration with UPL to trial Zeba in multiple locations, and the early results, we're pleased to say, were excellent.

Overall impact

With Zeba's smart climate technology, PepsiCo has been able to demonstrate its water conservation initiatives to the region's government, and its potato farming operations in the Middle East have seen game-changing results, including:

Water saving per tonnes of potatoes grown, improved product yield and quality



REDUCTION OF ENVIRONMENTAL IMPACT

Zeba also reduces the leaching of nitrates, which makes more nutrients available to the plant

OpenCollaboration

We are connecting and collaborating in new ways, to resolve challenges and to create new opportunities together.

We build collaborative partnerships with stakeholders across the food value chain comprising of innovators, food producers and processors, start-ups, policy makers and many others for creating the building blocks of a more sustainable future of food and agriculture.

CASE STUDY

Helping cocoa farmers in West Africa produce more

West African countries of Ivory Coast, Ghana, Cameroon, Nigeria and Togo account for more than 70% of the world's cocoa production. There was an opportunity, and a challenge, to increase the yield and profit of thousands of small-hold growers through the development of a BioStimulant.

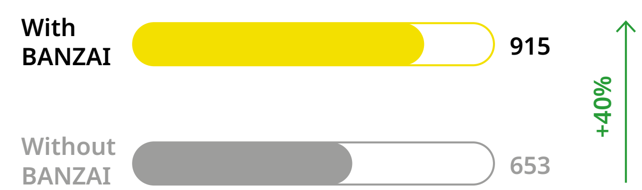
We collaborated with Croda International Plc on the product development of BANZAI TM , the first proven chemical BioStimulant foliar spray, specifically designed for cocoa. BANZAI TM actively promotes the production and retention of pods, is environmentally non-toxic and benign, eliminating concerns about product residues for production of cocoa paste and, ultimately, chocolate.

We became the exclusive distributor of BANZAI™, with a marketing campaign that secured the biostimulator as a key element of sustainability for food chain cocoa projects. We also provided technical support, training, fundraising and payment solutions for West African farmers.

Impact

In 4 years of product trials BANZAI™, delivered a 40% yield uplift while helping reduce residues on the crop. Such impressive results lead to the creation of UPL's advertising campaign, which was inspired by the words of Firiki Soro, an Ivory Coast small-hold grower, who stated "BANZAI changed my life". He saw a significant increase in his cacao yield using BANZAI TM and set up his own shop to sell it to his neighbours and improve his income further.

Average yield increase with BANZAI (Kg/ha)



UPL's continued focus is on spreading awareness of BANZAI ™'s potential within the West African cocoa growing communities, on increasing sales, and on rolling out availability to other cocoa-growing regions.

OpenHearts

We are inviting all stakeholders to join us in our efforts to drive positive change in the lives of farmers and the communities around us.

We have taken a strong resolve to eliminate all forms of child labour in seed supplier farms and to ensure education for children. We have undertaken several rural development projects across emerging countries.

CASE STUDY

Working with farmers in Africa to produce more

During FY2020, we signed an agreement with the Alliance for a Green Revolution in Africa (AGRA). This will see us working jointly to strengthen the farming ecosystem, including last-mile service delivery. This will increase farmers' access to yield enhancing technologies and increase investments in seed production, distribution and training of farmers on good agronomic practices. Moreover, this will be achieved by supporting farmers' access to extension support through the Village Based Advisor (VBA) models and demo plots.

Under the new agreement, the partners will further facilitate technology adaptation and introduction to financial solutions among small-holder farmers. Some of the countries to be covered in this partnership include Kenya, Tanzania, Ethiopia, Ghana, Nigeria, Mali, Burkina Faso, Malawi, Mozambique, Zambia and Ivory Coast.

Tortillas taste better

We launched 'Two Tortillas for Self-Sufficiency', an initiative which reinforces the commitment to small Mexican farmers to repay them for the extraordinary work they accomplish by feeding the world. Objective of this campaign is to support small farmers with limited resources to increase the yield of their crops, thereby contributing to the self-sufficiency of corn in Mexico.

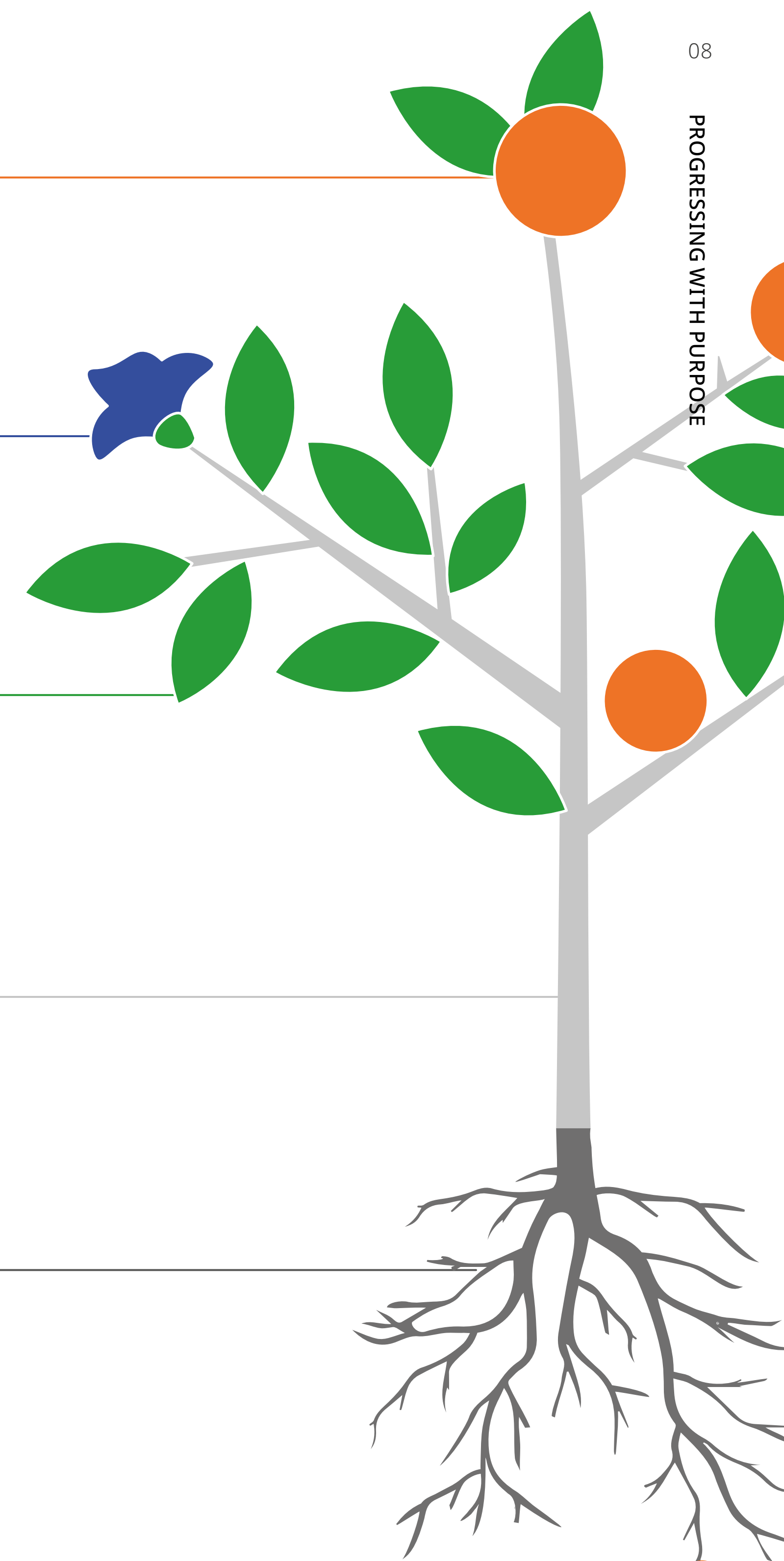
Under this initiative, the farmers brought two tortillas for our staff. In exchange they received a package with Tarang, Biozyme, Kayak Seed and protective equipment, as well as technical talks on the use of agrochemicals and proper waste management to ensure the optimal application of aforesaid products, which specialises in improving yield.

OpenMarkets

We are solving farmer's problems with sustainable offerings spanning from seed to post-harvest and services.

We have built extensive partnerships with food and fibre value chains and enjoy one of the most complete BioSolutions portfolios among top companies in the industry. Moreover, we are scaling up our digital service offerings.

Expanding leadership on sustainable input technologies



Fruit sizing

- Movement of sugars from vegetative tissues to wood or reproductive tissues
- Fruit finish

Flowering/fruit set

- Flowering
- Pollination
- Fruit set and retention
- Cell division for size and quality potential

Leaves/chlorophyll

- Leaf area
- Chlorophyll
- Photosynthesis activity
- CO_2 fixation

Stems and branches

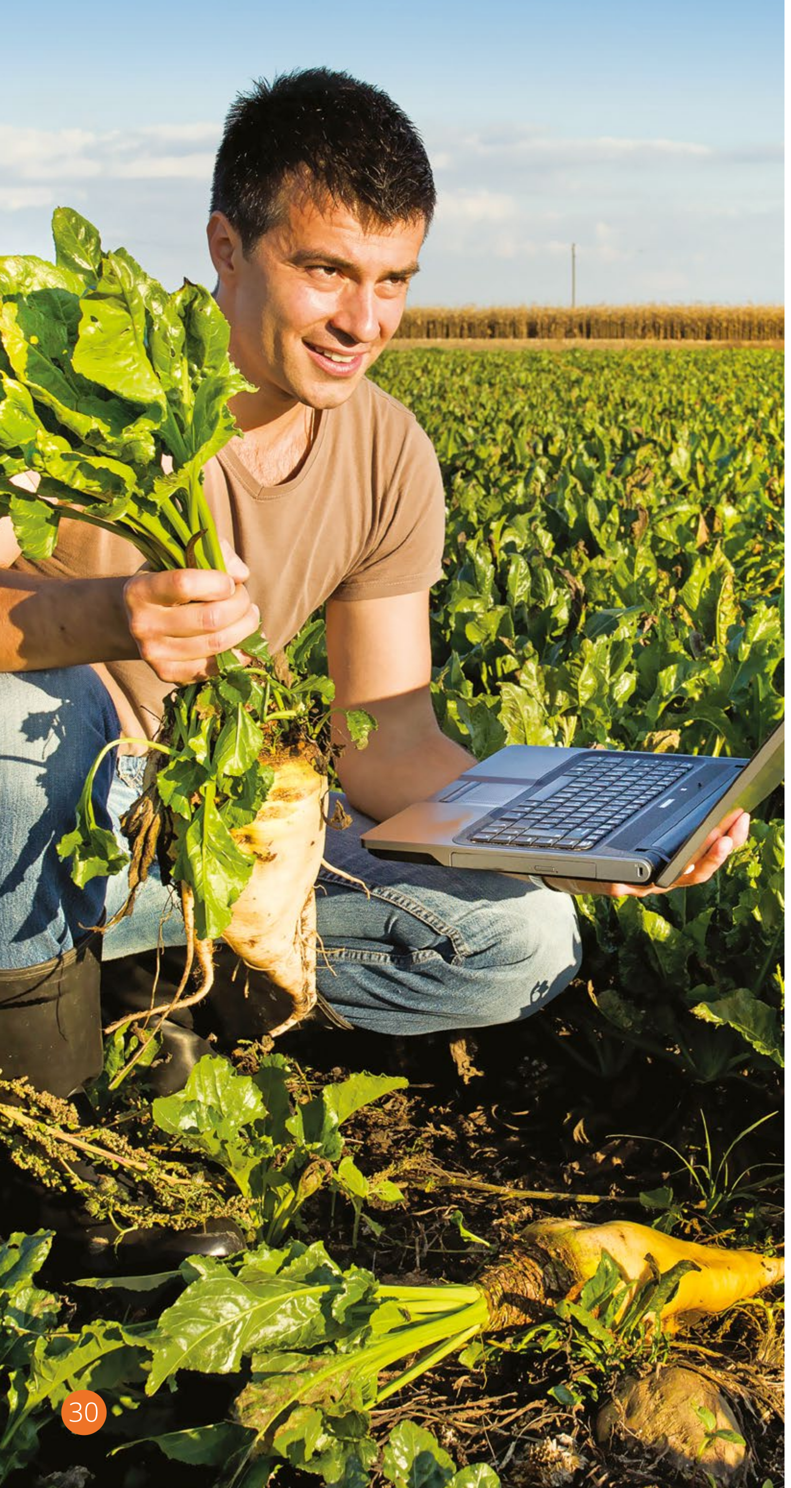
- Root architecture
- Thicker stems
- Increased branching
- Stem/stalk diameter and strength
- Inter-node length

Roots/emergence

- Root mass and architecture
- Bud development
- Accelerated shoot or bud emergence
- Uniform emergence

Value proposition

- Competitive product, price, performance and supply reliability
- Competitive spray programmes with focus on yield and quality
- Low or zero chemical pest, water and carbon management programmes with focus on yield and resource use efficiency



Evolve go-to-market strategy from supplying products to offering smart farming solutions

Our resource efficiency and innovation efforts will move most of our business to enhance solution providing and to drive smart farming partnerships in the next five years. This will create opportunities for margin expansion and defensible market position.

Reliable product supplier

Product focused supply of post-patent and proprietary crop protection formulations

ProNutiva® solution provider

Complete crop solutions, combining conventional and biological products

Smart farming partner

Precision Farming solutions, combining products and digital agronomic services

CASE STUDY

For a bigger cause

Mexico is one of the main exporters of agricultural products to the USA, and the value of its exports at US$ 30 billion makes it the third most important source of foreign exchange income for the country. However, in recent years, global legislation has reinforced food safety requirements, including stricter regulations on levels of chemical residue. Of USA's rejected Latin-American exports, 78% were Mexican and, of that, 60% were due to excess chemical residue and/or use of non-authorised crop protection product.

After five years of field trials, we created 'Pasaporte Verde' (Green Passport), which includes 30 UPL products and product platforms such as ProNutiva®, and the 'Aplique Bem' (ApplyWell) crop protection training programme that is provided free of charge.

Impact

We entered into a non-promotional agreement with Global Gap to further expand the concepts behind the programme, and 'Pasaporte Verde' products are now being used by several major berry and vegetable exporters, including California-based Driscoll's. As a unique proposition from us that cannot be emulated by other crop protection companies, 'Pasaporte Verde', together with ProNutiva®, has already achieved a 7.5%-8% market share. We aim to invest further resources into 'Pasaporte Verde' so that more exporters can benefit from the scheme, expanding it to other crops in the near future.

OpenIntelligence

We provide comprehensive solutions after deep understanding of the farmer's and customer's aspirations and daily challenges.

Staying close to farmers and taking insights from them is critical to our business model. We are the go-to partner for the latest economic indicators, global trends and consumer insights. We use advanced technology to capture and share data with partners and customers.

CASE STUDY

Integrated solutions platform for banana growers in Latin America

Our Trust++ solution allows thousands of banana growers access to quality fungicides, which facilitate the permanent monitoring of Sigatoka (leaf-spot disease of banana plants caused by the ascomycete fungus Mycosphaerella fijiensis). The platform urges banana farmers to 'know more and work better' by providing them easy access to information on contemporary technologies, markets and global developments, weather reports and online record books for inventory control, among others. We are not merely providing a platform; we are creating a community.

15,000+ acres

Covered by the Trust++ service

Chairman's Perspective

Addressing global food challenges

> We are building a network that redefines the way the whole industry thinks and works. Opening it all up,to refreshing ideas, to innovate ways and to new answers.

Dear Shareholders,

Before I share my thoughts about our performance for the reporting year, let me take you through the journey that has made us what we are today. It all started in 1969 in a small town called Vapi, Gujarat in a very modest way. Many of you may be aware, that we made the first indigenous red phosphorus in India and were awarded the President's Gold Seal for this research and development. In 1975, we ventured into the export market; and over the decades, we have crafted an exciting story of growth and evolution. In our story, everyone wins. Today, it embraces the entire world and over seven billion people, who need at least 21 billion meals every day.

We have now prominent presence in global food systems, which is both a challenge and an opportunity for us. The challenge is to find sustainable answers to feed the growing population of the world, with scarcer resources. The opportunity is that we have the experience, expertise, technology and empowered global team to bring together all the different players in the food system. We have access to 90% of the world's food basket and are focused on facilitating progress for the entire agricultural value chain, including growers, distributors, suppliers and innovation partners.
We are building a network that redefines the way a whole industry thinks and works. Opening it all up, to refreshing ideas, innovative ways and new answers.

A CHERISHED MILESTONE

We celebrated our 50th anniversary in FY2020 and it is a rare occasion for all of us to introspect about what we can achieve now and in the next half-a-century and beyond. We have grown many-fold since inception both organically and through acquisitions.

The year 1994 marked UPL's first international acquisition. Over the last 25 years, we have made over 40 acquisitions and have been successful in accelerating growth in a profitable and sustainable manner. The Arysta LifeScience acquisition represented the largest of them in our existence and possibly the most important.

Following the acquisition of Arysta LifeScience, we became one of the top 5 agricultural solutions companies worldwide. As a new company, we now offer an integrated portfolio of both patented and post-patent agricultural solutions for various arable and specialty crops, including biological, crop protection, seed treatment and post-harvest solutions spanning the entire crop value chain.

PERFORMING AMID CHALLENGES

Frankly speaking, the global operating environment for the entire stretch of FY2020 remained challenging with sub-optimal growth rates, heightened trade uncertainties, liquidity challenges followed by the global pandemic, which is still adversely impacting lives and livelihoods. At UPL, we have been able to sail through the crisis and deliver on our commitments to all stakeholders.

During the year, we also completed the successful integration of Arysta LifeScience, the company we acquired in February 2019, in a record time of just over one year. We are now fully integrated, and recorded a strong set of numbers in the first year itself. As always, we have constantly challenged ourselves to deliver more with less resources and set new benchmarks in the process.

As a global manufacturer and distributor of critical crop care solutions, we have been fortunate that our products have been classified as an 'essential commodity' to serve the world's food chain during the pandemic. All our factories around the world remained in operation, following relevant geography-specific safety guidelines. We also lived out our commitment of being 'Always Human' through our global community initiatives to help citizens fight the crisis and support human lives.

Moving on to the Indian landscape, our teams and facilities continued to operate during the year with relevant safety guidelines issued by the government. I must also mention in this context that we welcome the government's decision of allowing exports of 27 proposed products, which were earlier proposed to be banned. We remain confident that the government will take a pragmatic approach and permit the sale of these products in the domestic markets too, as they provide cost-effective solutions to farmers, thereby ensuring stability of the food supply chain.

MORE SUSTAINABLE FOOD PRODUCTS

With our diversified manufacturing facilities, empowered teams, expert partners, stronger innovation bandwidth, end-to-end solutions in crop protection and reach across global markets, we are committed to creating a sustainable food supply chain for the world.

We have close to 3,000 patents and pending patents. We believe that the intensity of our R&D will continue and increase in future. Also, we believe that today with the growth in resources that we have and the increased budgets we have we can be more innovative; and we can resource our processes much further than we could before and drive bigger innovation. We are also open to collaborate with different partners and stakeholders to bring sunrise innovation to the market.

With one foot in emerging markets and another in the developed world, we are now at the sweet spot between scale and agility. Although these are tough and uncertain times, with your encouragement and support we are confident of our ability to deliver industry-leading growth in the coming years.

Regards,

R.D. Shroff
Chairman and Managing Director

Putting purpose at our strategy pivot

> Our strategy is overarching and is built around critical global priorities. We are helping create sustainable, robust food systems that can withstand not only climate change, but also crises such as the one we are living through right now, helping over 500 million farmers protect their crops.

Dear Shareholders,

It gives me immense pleasure to share with you that we have successfully completed in the very first year the integration of Arysta LifeScience with UPL, creating a post-patent behemoth with revenues in excess of US$ 5 billion and EBITDA of US$ 1.05 billion.

We are now empowered by a new purpose and it defines what we are and what we aspire to be. Our OpenAg network transcends geographic borders and creates win-win partnerships. We are a unique confluence of global outreach with local insight. Our presence in our major markets allows us to better understand specific market trends and grower requirements, thus enhancing our ability to develop tailored local products consisting of one or more formulated, ready-to-use mixtures of different active ingredients that solve the needs of growers of a particular crop in a specific country.

ON INTEGRATION AND PERFORMANCE

FY2020 saw us complete the integration of Arysta LifeScience into UPL ahead of plan and deliver on the synergy targets. Worldwide, our teams have worked relentlessly through the year to put together this wonderful coming together of two companies. The success of the transaction can be seen by the performance of each region in our business. We have optimised manufacturing footprint, increased procurement efficiency, enhanced R&D bandwidth and consolidated IT and support functions. We now have a broader portfolio, enabling us to offer our customers complete crop solutions and create better opportunities for cross-selling. Our global team is rallied around our strategic purpose; and overall, we reported cost synergies worth ₹ 773 crore in FY2020.

The amazing thing about our performance is that, in our integration year, we outperformed the industry. I have the pleasure to report a strong financial and operating performance for FY2020. During the year, our revenue grew by 13% to ₹ 35,756 crore from ₹ 31,616 crore, our EBITDA surged by 18% to ₹ 7,452 crore from ₹ 6,312 crore in FY2019. Our EBITDA margin stood at 21% in FY2020 (20% in FY2019). One key target for the reporting year was to reduce our net debt post acquisition; and our ₹ 4,400 crore debt reduction is a testament of our strength. We are sharpening our focus on cost rationalisation, optimal capital allocation and a stronger liquidity buffer.

ON VALUE FOR ALL

We began our sustainability journey long back because we believed it will create more value for the grower and the world. Our focus is to bring sustainability to our farmers in an effective manner, so that it reduces cost and increases yields. We remain engaged with farmers throughout the crop life cycle from pre-planting to post-harvest. Our perspective is that farmers have a variety of requirements than just controlling a pest or a disease. They want to produce healthier yields with a long-term focus, because they make a living out of it. We are offering need-based solutions and technologies that support farmers. We are committed to developing or outsourcing whatever technology is required to provide them the best-in-class portfolio and least exposure to risk. Also, we believe that our platform will provide that focus and align all stakeholders on our focus; and in the meantime, we will enlarge our market share so that this platform becomes more valuable.

ON BUILDING OUR BIOSOLUTIONS PORTFOLIO

Our biosolutions business is one of the fastest growing segments and we are consistently investing in it to enhance our capabilities. We are offering ProNutiva®, an exclusive programme that integrates natural BioSolutions (bioprotection, biostimulants and bionutrition) with conventional crop protection products to meet or exceed the real-world requirements of today's growers. This is a revolutionary programme to offer farmers better yields for higher margins and to meet food demands in a more sustainable manner.

ON COMBATING COVID-19

As the world faces the unprecedented threat of the COVID-19 pandemic, UPL continues its operations with its plants running to meet the challenges of providing stable and reliable services to farmers around the world. We recognise that our products are essential, and even more in crucial times like these.

The crop protection business is an integral part of this critical ecosystem, which we take seriously as both a privilege and a responsibility. Providing stability to the world's food supply is our top priority, and we have reason to believe that in the long run, our food supply chain will come out even stronger than before.

As a part of our COVID-response initiative, we have donated ~US$ 10 million and supplied ~US$ 3.3 million worth of Private Protective Equipment (PPEs) to external stakeholders. We have produced more than 6,000 litres of sanitisers and disinfectant solutions for police and hospitals. Also, we have provided spray equipment to disinfect public areas, using 1.15 million litres of sanitising solution.

ON AN INSPIRED GLOBAL WORKFORCE

We have created an inclusive work environment where employees are encouraged to contribute their unique talents, skills and distinct perspectives. We believe that 'Purpose' flourishes when we have a team with diverse set of backgrounds, experiences and perspectives.

COMPETENCIES TO CONSOLIDATE

POST-PATENT

We will improve our product management through end-to-end supervision of key molecules, best-in-class market intelligence and strategic planning, rapid identification and execution of post-patent opportunities, striving for cost and quality leadership in everything we do.

SMART R&D

A community of great technical business developers that work 'glocally' in a team and understand farmer needs, supported by the best lean network of field stations/labs, working with partners (OpenInnovation), where ideas flow from the bottom up and outside in, to be transferred fast, globally.

BIOLOGICALS

We are investing in dedicated sales, marketing and technical personnel, as well as training and BioSolutions talent development. We will ramp up our R&D efforts in at least four key platforms (plant extracts, seaweed, pheromones and micro-biologicals)

DIGITAL

We use digital tools and AI to build a flexible digital commerce engine that can adapt to a variety of go-to-markets, providing agronomic advice to farmers using big data, and offering traceability tools to food chain partners. AI is expected to reduce cost-to-farm and agronomic risks, while protecting finite resources

LEADERSHIP TEAM

Excellent leadership is a prerequisite to lead in our industry and to navigate our teams through this transformation. We will implement a strong talent development programme and culture to select, retain, promote the best industry talents. The employee and customer experience must be in sync with our brand ambition

IN STEP WITH GLOBAL SUSTAINABILITY GOALS

We are committed to reducing our environmental footprint by efficient use of resources in line with 'UN Sustainable Development Goals' to help transform our world. Many operational improvements at our plants worldwide target energy conservation, efficient water and waste management and environment care. With immense pleasure we announce that, our Dow Jones Sustainability Indices (DJSI) score in 2019 has been enhanced by 60.6% compared to the previous year.

We have a dedicated team seeking global opportunities to enhance environmental conservation efforts called the 'Green Cell'. The team comprises technocrats and scientists, who identify emerging technologies and avenues to diminish our environmental footprint. The key focus areas of the Green Cell are: liquid waste treatment, solid waste treatment and air pollution control. It has undertaken various new technology adoption initiatives, including Forward Osmosis (FO), scaleban, volute press, Moving Bed Biofilm Reactor (MBBR), Dissolved Air Floatation (DAF), thermogenesis reduction in Effluent Treatment Plant (ETP) bioreactors and rainwater harvesting to make our operations more sustainable.

We are working towards new levels of sustainable growth, and towards generating a deeper impact on society, where agriculture is properly valued, food is sustainable, and farmers grow and prosper. We have a fundamentally optimistic view on the future of agriculture; one with no limits, and no borders, that feeds sustainable growth for all.

Warm regards

Jai Shroff
Global Chief Executive Officer

Sustainable science. For a better tomorrow.

> We're building an OpenInnovation concept which creates a network with thousands of partners, focusing on our core competencies and letting others focus on their core competencies.

Dear Shareholders,

UPL is one of the largest crop solutions players in the world. Today we reach millions of farmers every day providing a complete portfolio of sustainable input technologies. We are changing the game in agriculture and are excited about the future.

These are difficult times and we are privileged to be in an industry that is considered 'essential' in the post-COVID world, which enables us to support farmers and help feed millions of people around the world. We, at UPL, acted proactively to protect our employees, to keep our business running and to support our communities, while we are preparing for the new normal.

Employee safety: We are ensuring highest standards of safety for all our employees, abiding by the recommendations of organisations and governments in the countries where we operate. We implemented a 'Whoever can work from home should work from home' policy. Also, we are providing PPEs encouraging handwashing, thermal scanning and social distancing. We designed our 'return-to-work' protocols in accordance with geography-specific local official guidelines across all our facilities and offices.

Business continuity: We recognise that our products are essential, even more so in unprecedented times like these. Hence, all our manufacturing plants remain operational with the critical inventory in place for key raw materials. A Rapid Response Team was formed to monitor the developments, to issue guidelines and to solve problems. We also ensured fluid collaboration with customers. We rolled out virtual product launches and conducted virtual sales meetings.

Community outreach: We donated ~US$ 10 million and supplied ~US$ 3.3 million worth of PPE to various stakeholders. We produced 6,000+ litres of sanitisers and disinfectant solution for police and hospitals. Moreover, we provided spraying equipment to disinfect public areas, using 1.15 million litres of sanitising solution. I want to thank our teams for their relentless engagement to go the extra mile and help communities all around the world.

OUR OPERATIONS

Post our integration with Arysta LifeScience, we have emerged stronger. Today, we enjoy a larger geographic presence, offer total crop solutions and have a more powerful innovation engine. You will be happy to know that we have received very encouraging response from customers after the integration of Arysta LifeScience. It was really an enormous endeavour; so many moving parts were managed meticulously that today we can really say with satisfaction that a milestone has been accomplished. It feels like we are working together for years now and the teams have come together as one. We're better and we're stronger together.

We reported an outstanding year at UPL. We achieved this, despite erratic weather patterns, forex volatility and COVID-19 headwinds, driven by the strength of our business model and strategy execution.

Most importantly, we were able to grow market share in many countries, especially in our herbicide portfolio. Moreover, our portfolio of new innovations and BioSolutions have gained popularity among farmers globally.

In Latin America, we reported 24% increase in revenue to ₹ 13,764 crore in FY2020 (₹ 11,074 crore in FY2019). We were able to claim the number four market position in Brazil and advanced to number one position in Mexico and Colombia. We garnered higher customer share of wallet after the integration. In North America, despite floods impacting markets, we grew revenue by 13% to ₹ 5,635 crore in FY2020 (₹ 4,967 crore in FY2019) owing to growth in major product lines.

In Europe, we reported 7% degrowth in revenue to ₹ 5,376 crore in FY2020 (₹ 5,752 crore in FY2019) as the region was hit hard by a dry and hot season; and also saw currency depreciation. Despite demand weaknesses in herbicides due to the lack of moisture, we were able to deliver stable growth in our solutions portfolio. We continue to gain market share with products like seed treatments and insecticides.

In India, we experienced a good rabi season and that partially offset the difficult kharif season. The region reported 11% increase in revenue to ₹ 3,828 crore in FY2019 (₹ 3,454 crore in FY2019). We developed new markets for our product and services, educated farmers on the use of biostimulants and brought new technologies to farmers to enhance farm productivity.

Finally, in the rest of the world, we saw strong growth in Japan and the ASEAN countries such as Vietnam and Indonesia. Our revenues from the region increased 12% to ₹ 7,153 crore in FY2020 (₹ 6,369 crore in FY2019). Recently, we announced the acquisition of Laoting Yoloo, China, adding a strong team, more than 150 products and a state-of-the-art plant. This will strengthen our presence in China, one of the world's major crop protection chemical markets.

INNOVATION APPROACH

For us innovation starts in the field and ends in the lab, instead of the other way around. Listening to farmers and distribution partners, we are developing products and solutions that have far-reaching impact. We're building an OpenInnovation concept, which creates a network with thousands of partners, focusing on our core competencies and letting others focus on their core competencies. We have 38 new active ingredients in early stage and 14 in late stage of development, with a potential sales value of US$ 1–1.5 billion for the next five to eight years. We also innovate to reconfigure and differentiate existing off-patent active ingredient, creating new mixtures and formulations. This pipeline is well positioned to yield US$ 2–2.5 billion in the same time frame.

WINNING FORMULA

Our business strategy can be summarised in five points:

Leverage our new Tier-1 scale across the globe to reduce the cost to reach our customers and achieve preferred partner status with distribution partners

Dominate the growing post-patent market through speed, differentiation and best-in-class cost efficiency

Utilise our capital efficient OpenInnovation platform to claim significant share of the proprietary active ingredient market

Expand leadership in sustainable input technologies such as BioSolutions, digital agronomic services, and soil health solutions

Continue to evolve our go-to-market from supplying products to offering smart farming solutions

We are very excited about the success of our R&D team in developing technologies that will reduce more and more the environmental impact of agricultural practices, the use of finite resources such as water and the emission of greenhouse gases such as carbon dioxide. Our pipeline signals the dawn of a new era in sustainable agriculture.

We live in times of great uncertainty, but the need to feed the world every day, in a sustainable manner, remains unchanged. We were never prouder to be part of this industry pursuing our mission 'to make every food product more sustainable'.

Warm regards

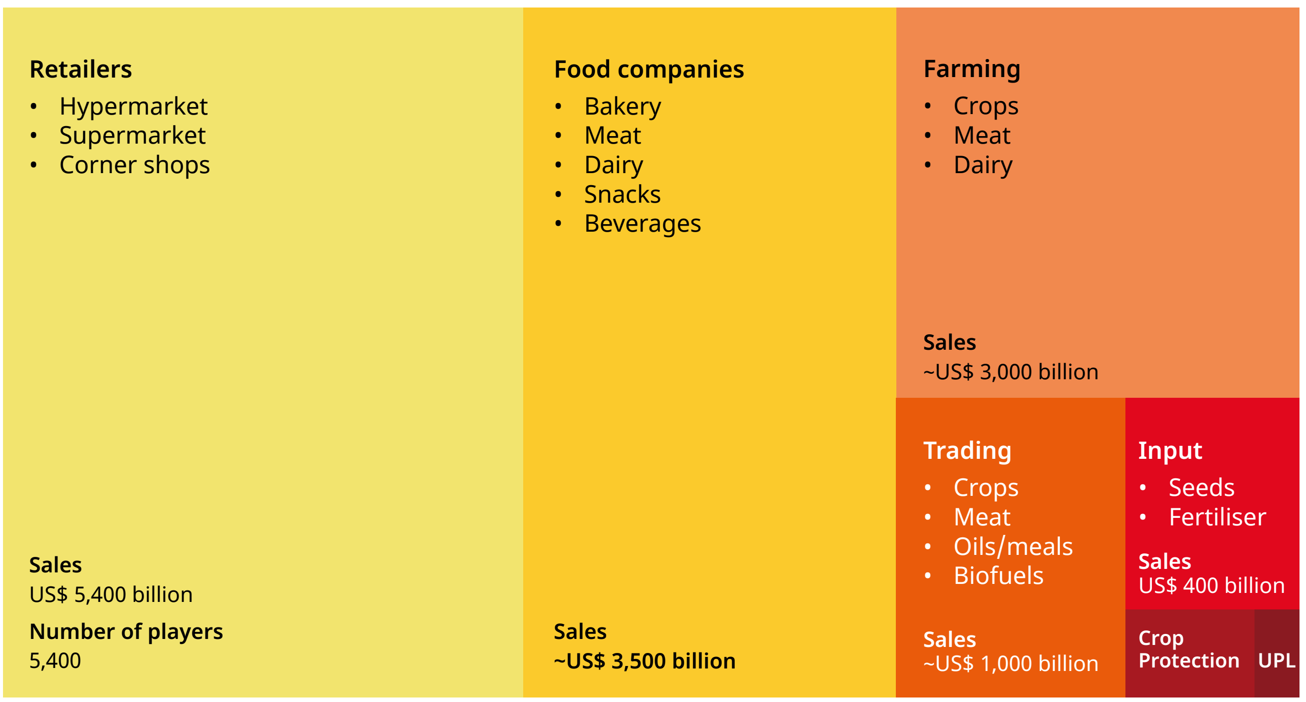
Diego Lopez Casanello
Global Chief Operating Officer

Navigating challenges with confidence

The world has more hungry mouths to feed every day. Ensuring food security for over seven billion people is already a huge challenge for farmers, especially with depleting natural resources, shrinking arable land, declining yields, increasing post-harvest waste and rising crop losses.

Global population is likely to touch 9 billion by 2050 and 11 billion by the turn of the century. Therefore, seeking sustainable solutions for crop security remains paramount.

The food value chain market is worth US$ 5 trillion, offering significant growth opportunities.



Source: KPMG report - The agricultural and food value chain: Entering a new era of cooperation

Operating environment

SLOWING GLOBAL ECONOMY NOW IN A DOWNWARD SPIRAL

The global macro environment remains challenging, with growing trade protectionism, sluggish manufacturing and weak consumption. The outbreak of the coronavirus pandemic is likely to push most major economies into a recession, and recovery is likely to be slow and gradual, as the scenario is still evolving.

CHINA'S CHEMICAL INDUSTRY IS CHANGING

China, the world's largest chemicals manufacturer, is grappling with major challenges with stringent environmental norms, tighter financing and industry consolidation. Further, pandemic-induced factory closures, coupled with recessionary trends across the global economy have come as a double whammy for the industry striving to get back on its feet.

GLOBAL AGROCHEMICALS FOCUSING ON CORE BUSINESS AND SCALE

The global agrochemical industry is in a consolidation phase, with major companies divesting non-core businesses and others picking up those divested portfolios; and deriving significant synergistic benefits.

DIGITAL TECHNOLOGY GAINS IMPORTANCE; SUSTAINABILITY KEY PRIORITY

Agrochemical companies are increasingly harnessing the power of data by deploying analytics tools to derive actionable insights, enhance efficiency and increase productivity. In addition, the companies are mainstreaming sustainability by incorporating it into business imperatives. Digital technologies are driving the creation of an ecosystem that feeds into sustainable growth.

Driven by purpose to...

- Enable stability of food supply for 7 billion people on the planet
- Provide innovative and affordable solutions to farmers
- Connect farmers, food producers, supermarkets, and consumers
- Protect the environment, finite resources and human health
- Meet crop protection needs of 500 million farmers globally
- Innovate new climate smart solutions to build resilient food systems

How?

We are building a fluid network of relationships and interplays that transcend traditional boundaries and create new possibilities for all stakeholders. This is a robust ecosystem, with more personal connections and more personalised solutions.

Built to succeed

Inputs

FINANCIAL CAPITAL

We judiciously deploy both equity and debt capital to add value to the business through prudent strategy and execution.

- Net Worth: ₹ 19,282 crore
- Net debt: ₹ 22,062 crore
- Capital expenditure: ₹ 1,981 crore

MANUFACTURED CAPITAL

We optimally use manufacturing assets across the world for our production processes to offer one of the widest ranges of products and solutions for sustainable agriculture.

- Manufacturing facilities: 44
- Countries of presence: 138+

INTELLECTUAL CAPITAL

With robust R&D infrastructure, proprietary knowledge and market insight we are enabling innovations to drive new and improved products and solutions.

- R&D centres: 25
- R&D investments: 2.23% of total sales
- Brands: 2,945*
- Patent granted: 1,266
- Product registrations: 13,600

SOCIAL AND RELATIONSHIP CAPITAL

Our relationships with our stakeholders in the value-chain and communities around us ensure long-term value-creation.

- CSR spend: ₹ 16 crore
- Number of suppliers: 2,367**
- Number of trade body memberships: 17+

HUMAN CAPITAL

Collective skills and experience of our workforce is driving consistent progress.

- Workforce count: 10,558***
- Women in the workforce: 14%***

NATURAL CAPITAL

Our consistent focus is to minimise wastage of vital resources and to reduce our overall environmental footprint.

- Renewable and non-renewable energy
- Water
- Fuel
- Land

Value creation process

OpenAg will change the game by creating a society, where agriculture is valued, outputs are sustainable, and farmers can prosper.

END-TO-END PROCESS COMPETENCE

- Research & development
- Global product development
- Registration
- Active ingredient manufacturing
- Formulation and packaging
- Marketing and distribution

OUR ECOSYSTEM

- Input suppliers
- Distributors
- Farmers
- Food wholesellers/ traders
- Food manufacturers
- Food retailers
- Consumers
- Industry association
- Media
- Co-operatives
- Government
- Restaurant
- Agricultural chemical distributer
- Non-Governmental Organisations (NGOs)

Outcomes

PERFORMANCE

- 13% and 18% y-o-y growth in Revenue and EBITDA, respectively
- Consistent track record of dividend payout for the last 10 years
- Dividend per share: ₹ 6 (face value ₹ 2 per share), up 25% y-o-y
- EPS: ₹ 23.24, up 19% y-o-y

PEOPLE

- Higher employee productivity
- Improved employee satisfaction
- Stronger talent management and retention
- Loss Time Injury (LTI): 35
- Loss Time Injury Frequency Rate (LTIFR): 0.77

PLANET

- Reduced 7.64% specific water consumption
- Reduced 7.32% specific carbon emissions
- Reduced 2.7% specific wastewater generation
- 17% energy comes from renewable sources in our largest two manufacturing plants

*Includes brands from crop protection business
**Total global supplier count for raw material, packaging materials and traded goods for the crop protection business
*** Includes crop protection and seed business

Working on our priorities

STRATEGIC PILLARS

HUMAN ASSETS

People have always been our most important resource. They must be aligned to the purpose, in accordance with the values and provide an environment of industry-leading growth.

CUSTOMER CENTRICITY

Focus on right customers to gain strategic advantage by building solutions (products and services) around the needs of those specific individuals or segments.

SMART BUSINESS R&D

Focus on grower's needs to create solutions, integrating current and future technologies, beyond molecules. Through regulatory and strategic alliances, anticipate future needs and make these technologies available in the market, in an agile way.

Imperatives

- Our culture encourages people to contribute their ideas to strengthen the larger purpose of bolstering the food network globally
- Driving merit-based open platforms with the highest level of transparency
- Encouraging collaboration as it is the bedrock of a connected economy. We respect those who join at seemingly innocuous nodes and get into the core of the network with disruptive ideas to create superior impact
- Nurturing diversity of people, ideas, technologies, partnerships, concepts, definitions with borderless and limitless pollination to sow the seeds of an ever-energising organisational culture

- Anticipating customer needs and market trends by employing intelligence tools and being close to growers
- Understanding agriculture and the customer's business to build innovative and integrated solutions that create a unique experience for growers
- Making use of new technologies to engage with customers and to enhance their experience
- Creating long-term relationships that lead customers to advocate for UPL

- Mapping farmers' future needs and driving innovation accordingly
- Innovating by reconfiguration of new Artificial Intelligence (AI) and technologies to create more choices, faster access, greater value and sustainability for farmers and the whole agriculture system
- Driving an agile and connected product development process from idea to launch
- Networking with the scientific community, research organisations, R&D companies and governments to promote knowledge exchange, leverage the innovation capability and sustain our solutions
- Driving high-performance technical teams to support business, regulatory and legal areas

OPERATIONAL AND MANUFACTURING EXCELLENCE

Be best-in-class in supply, manufacturing, logistics and processes to deliver value to customers.

TECHNOLOGY PARTNERSHIPS AND M&A

Nurture a connected network of partners to enable game-changing alliances and Mergers and Acquisitions (M&A); feeding sustainable growth with no limits, no borders.

PRUDENT FINANCIAL MANAGEMENT

Propelling new levels of sustainable growth for farmers, producers, customers, partners and employees through revenue and profit growth and higher returns on investment.

Imperatives

- Strengthening supplier relationship to sustain the operational competitive advantage
- Leveraging cost advantage through operational and manufacturing excellence, enhanced manufacturing capacity, improved product quality and optimised processes
- Strengthening the logistic capabilities
- Leveraging sales and operations, planning capabilities to ensure satisfaction and long-term relationship with customers, supporting growth
- Enforcing effective risk management with safety measures across all operations

- Undertaking strategic acquisitions, with a clear value proposition, to grow in geographies, crops, segments and technologies and to acquire new complementary expertise
- Leveraging in-house proven integration capability to deliver acquisition goals and to maximise growth and synergies
- Nurturing a connected network of partners, enabling game-changing technology partnerships to close key gaps in the portfolio and address unmet needs of farmers
- Cultivating and strengthening the current strategic alliances with technology partners
- Leveraging our extensive combined portfolio and manufacturing capability to offer B2B sales/licence-out opportunities to our partners and leverage those as a door opener to new partnerships

- Focusing on profitable and sustainable growth
- Ensuring positive cashflow and liquidity
- Sweating assets adequately to deliver higher return on capital employed
- Putting continued emphasis on risk management
- Reinforcing policies, processes and internal controls as key to sustainability

India

15 Manufacturing plants

11% Revenue growth in FY2020

11% Proportion of total revenues

REVENUE FROM REGION (₹ in crore)

FY2016	2,992
FY2017	3,334
FY2018	3,317
FY2019	3,454
FY2020	3,828

Highlights of FY2020

- The year was divided into two distinct parts – average production from Kharif followed by abundant Rabi crops
- Growth was driven by a strong performance in cotton under both insecticides and herbicides categories
- A strong show in wheat herbicides and grape fungicide rounded off a highly successful year

Outlook

FY2021 began under the shadow of the COVID-19 pandemic, amid an unprecedented nation-wide lockdown. Identification of agricultural input related activities as 'essential' helped prevent the scarcity of key crop protection chemicals. The fact that the rural areas have not borne the brunt of the pandemic has also helped. With the monsoon season forecasted to be 'normal', the outlook is positive. Herbicides and fungicides are expected to lead industry growth. Going forward, we will focus on:

- **Leveraging high levels of vertical integration and low dependence on imports**
- **High growth in biologicals and seed treatment products, along with continued success of our ProNutiva® crop packages that offer comprehensive solutions to farmers and are likely to keep our growth story intact**

Europe

11 Manufacturing plants

-7% Revenue growth in FY2020

15% Proportion of total revenues

REVENUE FROM REGION (₹ in crore)

FY2016	1,925
FY2017	2,148
FY2018	2,305
FY2019	5,752
FY2020	5,376

Highlights of FY2020

- Dry/hot weather conditions in Western European Union and Eurasian Economic Union affected crop yields
- Excellent growth with biosolutions portfolio and ProNutiva® programmes
- Achieved high share of herbicides, while share of fungicide was impacted by dry weather
- Early spring in Q4 showing signs of market recovery in FY2021 season

Outlook

Early spring in Q4 FY2020 showing signs of market recovery in FY2021 season though challenges driven by COVID-19 aftermath will have some impact across the region. Food supply will be critical for all governments and we will play our part as a leading player in the sector. Going forward, we will focus on:

- **Continuous launch of new innovations out of our rich R&D pipeline for Europe**
- **Increasing proximity to customers and organisational efficiency with a leaner organisational structure in Europe as we have bifurcated the team into North and South**

Latin America

6 Manufacturing plants

24% Revenue growth in FY2020

38% Proportion of total revenues

REVENUE FROM REGION (₹ in crore)

FY2016	4,273
FY2017	5,396
FY2018	5,692
FY2019	11,074
FY2020	13,764

Highlights of FY2020

- Our strong presence in Latin America was reinforced in key regions, including Brazil, Argentina, Colombia and Mexico, among others
- After integration, higher wallet share was acquired from customers and 30+ products were launched
- Achieved #4 position in Brazil and #1 in Mexico and Colombia
- Sales were driven by complete portfolios in soy, corn, sugar cane, and cotton
- Completed the acquisition and integration of Bioquim in Central America; another effective advantage in serving our regional customers

Outlook

The outlook remains stable for key Latin American regions such as Mexico, Central America, Colombia, Southern Cone where there is no extended lockdown, compared to other countries that are badly affected such as Ecuador and Peru, among others. The domestic market for the countries is stable, but exports might be impacted. Going forward, we will focus on:

- **Offering a complete package portfolio to customers**
- **Launching innovative products and deepening R&D focus will be our key priorities**
- **Making investments in field research facilities in Mexico for supporting global research and LATAM necessities**
- **On pushing our strong BioSolutions portfolio**

North America

4 Manufacturing plants

13% Revenue growth in FY2020

16% Proportion of total revenues

REVENUE FROM REGION (₹ in crore)

FY2016	2,612
FY2017	2,888
FY2018	3,083
FY2019	4,967
FY2020	5,635

Highlights of FY2020

- Strong growth in a declining market
- Market share growth in major product lines
- Strong growth in Canada guided by integrated portfolio synergies
- Positive impact of additional tariffs on Chinese imported goods on our Clethodim sales

Outlook

Impact of COVID-19 outbreak in the new crop season could differ across crops. Early signs indicate good weather is expected to have a positive impact on acreages and on application of pre-plant and pre-emergence herbicides. Going forward, we will focus on:

- **Gaining market share with herbicides**
- **Biostimulants with the introduction of newest technology GoActivMAX across key channel partners will result in growing our share of wallet**
- **Seed Treatment custom blending capability has been established in key geographies to support blends for soybeans, wheat, cotton, potatoes, sorghum, and peanuts**

Rest of the World

8 Manufacturing plants

12% Revenue growth in FY2020

20% Proportion of total revenues

REVENUE FROM REGION (₹ in crore)

FY2016	2,542
FY2017	2,914
FY2018	3,109
FY2019	6,369
FY2020	7,153

Highlights of FY2020

- Leveraged synergies in Japan driven by broader customer base and J-maker partnerships
- Solid market development in South East Asia driven by rainfall return and fusion synergies
- Laoting Yoloo's strategic acquisition closed in China
- Strong margin growth due to sales growth and improved COGS of inhouse products in AMEANZ[1]
- Witnessed adverse effects of forex instability in Africa and drought/wildfires in Australia with some late recovery in the season
- Achieving the synergy targets set for the AMEANZ region

Outlook

We remain optimistic about FY2021 and are closely monitoring the COVID-19 impact. We expect COVID-19 to negatively impact few crops such as flowers in East Africa and cotton in Western and Central Africa due to a drop in global demand but we will adjust our business accordingly. Going forward, we will focus on:

- **Building on our ProNutiva® strategy should give us growth in our bio-solutions business as we expect a normal climate year in Southern and Eastern Africa. We will start our bio-solution development programme for Australia to ensure future growth**
- **Expansion of herbicide business in South East Asia through branding and demand generation**
- **Expanding and leveraging the Laoting Yoloo's portfolio in Asia**
- **Sharpening the value proposition of ProNutiva® concepts in Asia to drive BioSolutions**

[1] Africa Middle East Australia and New Zealand

Enlarging our sustainability footprint

SUSTAINABILITY SCORE

UPL is rated by **Dow Jones Sustainability Index** (DJSI) and **FTSE Russell ESG Rating** with above industry average score year-over-year

WATER MANAGEMENT

Reduced 7.64% specific water consumption, as compared to last year

Harvested and **recycled** ~440 tankers equivalent rainwater across four large operating units in India

WASTEWATER MANAGEMENT

Achieved **Zero Liquid Discharge** in 60% of our operating plants globally

Implemented **Stream Identification & Segregation** for better wastewater management and treatment

Reduced 2.7% specific wastewater generation as compared to last year

Implemented latest technology for enhancing wastewater quality. **FO technology** is used for treating and recycling high Total Dissolved Solids (TDS) and high Chemical Oxygen Demand (COD) wastewater at our Ankleshwar, Gujarat production plant

CLIMATE CHANGE

Reduced 7.32% specific carbon emissions as compared to last year

COMMUNITY RESPONSIBILITY

UPL undertakes **community development efforts in 11 countries** worldwide implementing and supporting more than 80 development interventions benefiting 70+ communities across continents

5 Institutions of Excellence have been established for skill development in Gujarat, India

RENEWABLE ENERGY

17% power comes from renewable sources in our two largest manufacturing plants

BOARD GENDER DIVERSITY

70% Male

30% Female

Cleaner and greener tomorrow

Aligned to our legacy, we are constantly working to reduce our environmental footprint and to find innovative solutions that benefit the society. Given our innovation-driven growth strategy, we deliver ingenious and novel products for the global food system in a manner that is sensitive to the current global environmental landscape and the needs of the future generations.

International sustainability rating

DOW JONES SUSTAINABILITY INDICES (DJSI)

Dow Jones Sustainability Indices (DJSI) rating are increasingly being used in innovative new products for investors, such as the S&P 500 ESG, S&P Europe 350 ESG, S&P Topix 150 ESG, S&P Global 1200 ESG and S&P Long-Term Value Creation Index. The DJSI gives us the unique opportunity to provide a more in-depth and complete picture of our corporate sustainability efforts. This opportunity sets the DJSI apart from most other sustainability rating frameworks

KEY HIGHLIGHTS

- **UPL DJSI rating for Year 2019 is 61% higher than Year 2018 rating**
- **We scored higher rating in all three dimension vis-à-vis industry average**
- **We scored the highest in environmental dimension out of three dimensions i.e. Economic, Environmental and Social**

FTSE RUSSELL ESG RATING

FTSE Russell has been at the forefront of innovating ESG indexing for nearly two decades. The FTSE4Good Index Series is a market-leading tool for investors seeking to invest in companies that demonstrate good sustainability practices. It also supports investors who wish to encourage positive change in corporate behaviour and align their portfolios with their values.

UPL was listed on FTSE 4 Good Index for strong environmental, social and governance practices. Our FTSE score in FY2020 is 3.7 out of 5, which is 68% higher than industry average.

KEY HIGHLIGHTS

- **UPL scored higher rating in all three dimension from industry average**
- **We scored highest score in governance dimension out of three dimensions i.e. Governance, Environmental and Social**

For more on our sustainability practices, please click on the following link: http://sustainability.uplonline.com/

New technology adoption

The Green Cell is a dedicated department looking globally into enhancing environmental protection & conservation efforts. The team of technocrats & scientists identifies new technologies and avenues to decrease environmental footprint of company. The team also embeds sustainability considerations into our operations. This cell is also responsible to ensure current technological uptake to ensure remediation activities are aligned to global best practices. The key focus areas of the green cell are:

WASTEWATER TREATMENT

SOLID WASTE TREATMENT

AIR POLLUTION CONTROL

FORWARD OSMOSIS (FO)

We have implemented state-of-the-art FO technology for treating and recycling high TDS and high COD wastewater at our Unit 1, Ankleshwar, Gujarat production plant. This FO plant has a capacity to treat 200 KLD high TDS (4.0-4.5%) wastewater and can generate ~140 KLD clean water, which can be utilised for any meaningful purpose. Forward osmosis is a natural process and an integral part for the survival of flora and fauna on this planet. In general FO process is governed by difference in osmotic pressure and the direction of water diffusion takes place from lower concentration (the feed side) to higher concentration (the draw side). The driving force for this separation is an osmotic pressure gradient, which is generated by a draw solution of high concentration to induce a net flow of water through the membrane into the draw solution, thus effectively separating the feed water from its solute. As osmosis is a natural phenomenon, it significantly requires lesser energy as compared to conventional reverse osmosis process (RO). FO technology can be used for highly saline waters, which are impossible to treat through conventional wastewater treatment process.

SCALEBAN

Scaleban technology is an excellent aid in achieving the Zero Liquid Discharge (ZLD) goal. With application of Scaleban system, cooling towers can be operated at higher TDS hence ETP treated water/effluent can be used as cooling tower makeup water and thus reducing raw water consumption without requiring any extra energy input for its operation. UPL has installed Scaleban system to recycle ~500 KLD process effluent as cooling tower makeup water at different manufacturing sites.

ADVANTAGES OF SCALEBAN

- **Reduce abstracted water demand in cooling tower by utilising treated wastewater**
- **Very less capital and operational expenditure compared to conventional technologies to achieve ZLD**
- **Can handle higher COD and TDS water efficiently**
- **Quick installation and commissioning without occupying any extra footprint**
- **No major infrastructural changes are required for installation**

VOLUTE PRESS

Volute Press is a unique product which was originally developed in Japan. This sludge dewatering technology offers many advantages over current sludge handling systems. UPL has installed volute sludge dewatering press with a capacity of ~800 Kgs dry solids/hour at different manufacturing sites.

ADVANTAGES OF VOLUTE PRESS

- Continuous and clean operation without regular manual intervention
- Produces high-quality filtrate with very less Total Suspended Solids (TSS) i.e. high solid recovery
- Reduces power consumption up to 95%
- Low noise and odour generation
- Low wash water consumption

MOVING BED BIOFILM REACTOR (MBBR)

MBBR system is a form of advance activated sludge process where biological sludge is immobilised on plastic carriers having very large internal surface area. The aeration system keeps the carriers with activated sludge in motion and thus providing a larger and wider contact between microorganisms and wastewater for efficient wastewater treatment. UPL has installed MBBR system to treat 1,120 KLD process effluent at different manufacturing sites.

ADVANTAGES OF MBBR

- Compact system with lesser area footprint compared to conventional Activated Sludge Process
- Higher Food-to-Microorganism Ratio (F-M) loading with reduced retention time
- Less biological sludge generation and no biomass recycling required
- Faster installation and commissioning
- Higher treatment efficiency

DISSOLVED AIR FLOATATION (DAF)

DAF technology is a modern version of conventional primary effluent treatment, where suspended solids are removed by dissolving atmospheric air in wastewater under pressure and then releasing the air in flotation tank basin. The released air forms tiny bubbles causing the suspended matter to float on the surface and in turn can be removed from wastewater using a skimming device. UPL has installed DAF system to treat 1,120 KLD process effluent at different manufacturing sites.

ADVANTAGES OF DAF

- Very compact system which reduces the area footprint significantly
- Quick installation and commissioning
- Higher suspended solids removal efficiency with ability to handle bulking floating solids
- Lower CAPEX and OPEX

THERMOGENESIS REDUCTION IN ETP BIOREACTORS

UPL has indigenously developed a technology to effectively curb the increasing temperature problem in ETP bioreactors. During biological oxidation of wastewater there used to be a rise of 10°C–15°C in the ETP bioreactors, along with a sharp pH drop. This caused a detrimental effect on ETP biological performance. It was later hypothesised and proved that the root cause of the problem was sulphide content in wastewater (300 to 800 ppm) which was getting oxidised to sulphuric acid during biological reaction, which in turn generates exothermicity and lowers the wastewater pH. When these sulphide containing compounds were removed from wastewater using redox reaction chemistry, both temperature rise, and pH drop issues were resolved. The treatment efficiency of bioreactor has been considerably enhanced.

RAINWATER HARVESTING

With aim to reduce abstracted water demand in our manufacturing plants, we have installed full-fledged rainwater harvesting system with a capacity of harvesting 10,000 m^3 of rainwater in monsoon. All systems are rooftop-based rainwater collection systems except Halol where it is based on surface runoff. All harvested water is majorly used in cooling towers, utilities and other non-drinking domestic purpose like washing, gardening, toilet flushing etc. We collect, treat, store and reuse rainwater. Recharging of rainwater in ground is strictly prohibited inside UPL operating plants.

FUTURE SUSTAINABILITY INITIATIVES

At UPL, sustainability is driven by smarter innovation and profitable growth. We believe that a business can be profitable by adopting sustainable practices ensuring harmony with the society and environment.

OUR MAJOR FUTURE SUSTAINABILITY INITIATIVES BY 2025

30%
Reduction in operational environmental footprint from baseline FY2020

15%
Increase in crop yields from baseline FY2020

80%
Source of raw material from sustainable sources

5 mn
Helping farmers to improve their wealth and education

Fulfilling our societal responsibility

At UPL, our citizenship interventions are not restricted to the upliftment of only our neighbouring communities, as we drive initiatives that address key priorities for nations.

CSR focus areas

- Institutions of excellence
- Sustainable livelihood
- Nature conservation
- Local and national needs
- Global CSR initiatives

Institutions of excellence

We have built institutions of excellence to raise responsible and skilled human capital in the western region of India through academic excellence, holistic growth and vocational and life skills.

- **Sandra Shroff Gnyan Dham School, Vapi, Gujarat**
- **Gnyan Dham Eklavya Model Residential School, Ahwa, Gujarat**
- **Sandra Shroff ROFEL College of Nursing, Vapi, Gujarat**
- **Shroff S Rotary Institute of Chemical Technology (SRICT), Vataria (Ankleshwar), Gujarat**
- **UPL Centre for Agriculture Excellence, Nahuli (Vapi), Gujarat**

Sustainable livelihood

UPL's **agriculture development** initiatives focus on technological innovation and increased accessibility of the same to the farmers, capacity building and improved market access for the agricultural produce. We are working to 'enhance food security and improve the socio-economic conditions of small and marginal farmers'. We are directly working with 3,659 farmers in field and have trained 16,000+ farmers on improved agricultural practices.

Under **skill development**, we provide technical training to unemployed, dropped out urban youth so that they can secure sustainable livelihood in the industrial belt. Farm Mechanisation training (with Adarsh Farm Services team) is to create employability opportunity for unemployed dropped out rural youth through farm mechanisation in rural area. We have trained 4,500+ youths from nine states on both farm mechanisation and industrial training.

We are working to **empower rural women** through formation and strengthening of Self-Help Groups (SHG) and promoting entrepreneurial culture among the groups. This initiative not only empowers women financially, but also leads to their social and cultural growth. We are directly working with 1,500+ women under this initiative.

Nature conservation

Under nature conservation, we work with various stakeholders to improve the natural habitat in the region through information dissemination, increased awareness and focused effort to preserve and protect the environment.

OUR NATURE CONSERVATION INITIATIVES

- **Sarus conservation project**
- **Deer and Ungulate breeding project**
- **Social forestry project**
- **Mangrove plantation**
- **Water conservation project**
- **Formation of Eco Clubs in community school**
- **Green Ganesha workshop in Mumbai schools**

Local and national needs

We work with individuals and organisations to ensure growth and developmental needs of nations are met. We are doing our part through proactive interventions in the interests of the nation, support to trusts/institutions/NGOs and relief and rehabilitation efforts.

MY SUPER WARD

Our citizen-centric application for Mumbai is a part of an honest, apolitical and non-profitable attempt to create a model for integrating urban citizens of India with the governance of their locality. We are trying to create a model for improved urban governance in the form of a citizen-centric application.

UPL UNNATI

This project builds capacities of civil society organisations including NGOs and Community Based Organisations (CBOs) in Mumbai. We work on enhancing the administrative and management systems of the civil society organisations in order to improve their project deliverables.

UNITED AGAINST CHILD LABOUR (PROJECT UACL)

This is our initiative to eliminate all forms of child labour in seed supplier farms and to ensure education for all children. We have adopted a multi-pronged strategy towards this objective, which includes advocacy, engagement, awareness and legal contract.

TOILET AND SANITATION PROJECT

Construction of toilets to improve School sanitation and drive household hygienic behaviour through school children.

SURAKSHA ABHIYAAN

A total of 41,000 participants have been trained on highway and industry safety and also imparted lessons on women empowerment.

GLOBAL PARLI PROJECT

It is a successful example of how India's villages can be transformed through revival and empowerment. Progressive, economically viable and prosperous villages can be a reality through right interventions.

VANDRI CLUSTER DEVELOPMENT

Vandri (Gujarat) has very few infrastructural facilities. Besides, there is poor farm productivity and absence of alternative employment opportunities. We have taken up the development of the cluster in our hands, in consultation with stakeholders.

EKATRITA BHAVISYA, VIDHARBHA

Large swathes of cotton farms in Vidarbha, Maharashtra have been the epicentre of a huge crisis that has gripped the rural population in crippling debts and has driven thousands of them to commit suicide. We are working with farm widows to provide sustainable livelihood through skilling, micro-enterprise and market linkages.

PARTNERSHIP WITH SAVE THE CHILDREN INDIA (SCI)

Support Special Care Centre which is a school for hearing impaired and intellectually disabled children that provides holistic education, nutrition and transportation, in a healthy nurturing and learning environment. SCI is working towards improvement, empowerment and rights of special children.

PARTNERSHIP WITH FRIENDS OF TRIBAL SOCIETY

Supporting 'Project Ekal Vidyalaya' which aims at creating one teacher schools in the remotest parts of the country. The project ensures functional literacy among all children and further link them to formal schooling.

SUPPORTING THE FOUNDATION FOR PROJECT REACH

Providing full scholarships to bright students from lower-income families (from disadvantaged parts of India) by enrolling them in some of the leading educational institutions in India.

SUPPORTING APNE AAP WOMEN'S COLLECTIVE (AAWC)

An anti-trafficking organisation that serves the women and children of Kamathipura, the red-light area of Mumbai.

SUPPORTED CHRIS PARSONS ON HIS FUNDRAISING RIDE 'CYCLING FOR WIDOWS 2020'

Chris, chairman of international law firm Herbert Smith Freehills' India practice, has cycled 4,200 km over 42 days from the Kanyakumari in South to Kashmir in North of India. Chris' raised money for the Loomba Foundation and its efforts to support widows and their children through economic empowerment and childhood education.

ENCOURAGING EMPLOYEE VOLUNTEERING

We are working on fostering the spirit of community development amongst our employees through employee volunteering programme known as We Are United (WAU). WAU is a well-structured employee volunteering programme through which employees get an opportunity to use their talents and passion for the benefit of the community.

Global CSR initiatives

We undertake CSR initiatives across 11 countries (including India) and implementing and supporting more than 80 development interventions benefiting 70+ communities across continents.

- **UPL Brazil** works on a complementary education programme, empowering the local youth to lead meaningful lives
- **UPL Colombia** is responding to surrounding communities 'whole life cycle' need by promoting the social and economic development through education, entrepreneurship and the conservation of the environment
- **UPL Colombia** continued to contribute to 'Education for Competitiveness', in alliance with the National Federation of Coffee Growers, acting through the Committee of Coffee Growers of the Department of Caldas in Colombia
- **UPL Argentina** has set up an in-plant Social Security Office for every neighbouring community (in the past they had to travel 46 km to have access to social security office)
- **UPL Mexico** has been collecting and distributing winter clothing to the poorest of the poor since 2015
- **UPL Kenya** is working with Mr. Patric Kilonzo / Mwalua Wildlife Trust for Conservation of wildlife at Tsavo West National Park by minimising man-animal conflict through promotion of Sunflower Farming in a sustainable, ecologically responsible way
- **UPL Belgium** works with charities in the Liège region; also works with neighbourhood children for the St. Nicolas party
- **UPL Côte d'Ivoire** started a project on improving cardiovascular health outcomes in rural Côte d'Ivoire (Ivory Coast) with Dr. David Lulu/ The Heart Fund and Kenya
- **UPL** signed an MOU with **Oxford India Centre for Sustainable Development (OICSD)** at Somerville College, University of Oxford for UPL Sustainability Fund

Upholding the highest standards of governance

At UPL, we consider our stakeholders to be partners in our success and we remain committed to creating long-term sustainable value for them. Our approach to value creation is founded on our sound and robust corporate governance framework. It encompasses a holistic approach addressing all spheres of our interaction—with the economy, society and the environment—while maintaining integrity, transparency and accountability.

The Board has set up well-defined policies and constituted several committees as part of our governance framework to ensure superlative and sustainable performance. Our Code of Conduct expresses our commitment towards conducting business ethically. Our Code of Ethics and Whistle-Blower Policy allows our stakeholders to convey their concerns related to illegal, unfair and unethical practices, report concerns about any unethical behaviour, actual or suspected fraud, bribe, corruption, etc.

Read more about our policies on our website https://www.upl-ltd.com/

Board of Directors

The Board governs the pace of current operations and future development. It promotes values, reviews goals, determines policies and charts the medium to long-term growth strategy for our organisation.

As UPL is a global company with market presence in 138+ countries, diversity in the Board helps us to assess risks and opportunities in a universal manner while keeping in mind the best interests of all stakeholders. The members of the Board are experts in the domains of chemistry, agri-inputs, finance, economics, food policy, social upliftment among others. Our diverse Board brings versatility to the table and efficiently addresses environmental, social and governance related criticalities through a strategic approach. Jointly, the Board shoulders various strategic decisions critical for business operations.

Board Committees

The Board is supported by five Board Committees that facilitate decision-making to keep our operations regulated. The Chair of each committee communicates to the Board about the operations and major decisions of the Committee. Equipped with the expertise and strategic temperament, they play a critical role in carrying out functions independently, inspecting controls and assessing and managing risks.

The following Committees play a pivotal role in ensuring transparent operating practices.

AUDIT COMMITTEE

The Committee comprises three Independent, Non-Executive Directors. It is broadly responsible for UPL's financial reporting process and disclosure of UPL's financial information to ensure that the financial statements are correct, sufficient and credible. The committee also reviews the Company's financial performance, reports prepared by the internal audit department, related-party transactions and insider trading related matters. They also make recommendations for appointment, remuneration and terms of appointment of the auditors of UPL.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee comprises one Independent Director, one Promoter Director and one Executive Director. They investigate the redressal of grievances of security holders, including complaints related to the securities, information and other grievances.

NOMINATION AND REMUNERATION COMMITTEE

The Committee comprises three Independent, Non-Executive Directors and they define criteria for determining the qualifications, positive attributes and independence of a Director. It also devises and suggests a policy to the Board for identifying appropriate candidates with the requisite experience and know-how for directorship, who may be appointed in the senior management in accordance with the criteria laid down, and recommend their appointment and removal to the Board. Review of succession planning framework for Board and senior management is also a critical aspect of its role.

RISK MANAGEMENT COMMITTEE

The Committee is constituted to identify the risks and to review mitigation plan in a proactive manner. It comprises three Directors of which two are Executive Directors. Senior executives from different divisions of the Company regularly provide inputs on potential risks to the Committee to monitor mitigating plans for the identified risks. The Committee contributed particularly with respect to risks arising from regulatory issues, data security, climate change, etc.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Abiding by our philosophy of 'Doing things better', we believe in the sustainable growth of communities. CSR Committee comprises two Promoter Directors and one Independent Director. The Committee is the foundation of all our CSR programmes, right from making the blueprints to executing them.

Please refer to the Corporate Governance Report for more details on the Committees.

During FY2020, UPL undertook several initiatives to strengthen corporate governance practices:

- Revised terms of reference of our Committees to further enhance its effectiveness by benchmarking it with the best global practices
- Moved to paperless Board and Committee meetings as part of our overall digitisation strategy
- Revised the Code of Conduct for Monitoring and Prevention of Insider Trading. The Board has constituted an 'Insider Trading – Task Force' to determine the disciplinary action on a case-to-case basis, without delay. The Audit Committee is provided a report on Insider Trading related matters on a quarterly basis
- Revamped Whistle-Blower Policy, by benchmarking it with the best global policies. It lays down the vigil mechanism for UPL's employees and provides a reporting mechanism to the Audit Committee
- Implemented a system of centralised database of group-level corporate information. The database contains details of UPL's worldwide subsidiaries, as well as officer and director appointments, ownership data from which corporate structure charts can be created, and an archive of corporate records
- Conducted Board evaluation with a structured questionnaire covering various parameters such as the structure of the Board/Committees, Board meeting practices, overall Board effectiveness, attendance/participation of Directors in the meetings, etc. The Directors were also asked for their suggestions on areas of improvement to ensure higher degree of engagement with the management

Board of Directors

Standing Left to Right

MR. ARUN ASHAR
Executive Director
M M M

MR. JAI SHROFF
Global CEO of the Group

MR. PRADEEP GOYAL
Non-Executive –
Independent Director
M M C M

MR. VIKRAM SHROFF
Non-Executive –
Non-Independent Director
M M

DR. VASANT GANDHI
Non-Executive –
Independent Director
M

Sitting Left to Right

MS. USHA RAO MONARI
Non-Executive –
Independent Director

DR. REENA RAMACHANDRAN
Non-Executive –
Independent Director
C

MR. RAJNIKANT SHROFF
Chairman and
Managing Director
C C

MRS. SANDRA SHROFF
Non-Executive –
Non-Independent Director
M M C M

MR. HARDEEP SINGH
Non-Executive –
Independent Director
C M

C Chairperson
M Member
Audit Committee
Nomination and Remuneration Committee
Stakeholders Relationship Committee
Risk Management Committee
Corporate Social Responsibility Committee
Finance and Operations Committee

Board of Directors Cont.

MR. RAJNIKANT SHROFF

Mr. Rajnikant Shroff (alias Mr. Rajju Shroff) was born in a family of entrepreneurs in a small town in Kutch, India. Passionate about chemistry and chemicals right from the beginning, he pioneered red phosphorous manufacturing in 1969, giving an impetus to the indigenous chemical industry.

A committed visionary

Eager to do something different, Mr. Shroff has always taken the road less travelled. A graduate of Chemistry from the Bombay University, he established a novel process of manufacturing mercury salts in a plant at the UK and was paid royalty for it by the British Company; a big achievement for any Indian way back in 1957. Soon after, he mastered red phosphorous and quickly moved on to the production of other chemicals such as Aluminium Phosphide (fumigant) and Zinc Phosphide (rodenticide) for agriculture. In 1980s, UPL started launching an avalanche of crop protection products and is one of the leading total crop solutions providers in the world now.

Motivated to make a real difference

He believes that the prosperity of his company must be shared with not just the stakeholders but the society at large too. His wholehearted support encourages one and all at UPL to contribute to various social activities and actively work towards betterment of the people.

Looked up to by the world

His dedication to his company and his causes is unwavering. His many awards are a mere testimony of his legend.

Some of them are:

- AGROW Lifetime Achievement Award in September, 2015 in London
- Ernst & Young Entrepreneur of the Year Award (manufacturing) in 2013
- Rolta Corporate Award 2010
- Indian Chemical Council's Lifetime Achievement Award for the entrepreneur in 2010
- Lifetime Achievement Award by Chemexil in 2008
- Mr. Rajnikant Shroff honoured with the Mexican Order of the Aztec Eagle

MRS. SANDRA SHROFF

Mrs. Sandra Shroff, is the Vice Chairperson of UPL. She is also at the helm of Enviro Technology Limited and Bharuch Enviro Infrastructure Limited as Director.

A problem-solving industrialist

Apart from the growth of her company which is her top priority, she has been closely associated with ICMA (now known as ICC), FICCI, ASSOCHAM and CHEMEXCIL. She has been instrumental in resolving the problems faced by the chemical industry throughout India. Over the last five decades she has been a major contributor to the rapid industrial growth at Ankleshwar and Vapi.

Driving social welfare with gusto

Mrs. Shroff's social contribution is at par with her contribution to the growth of the Indian Chemical industry. Actively promoting social infrastructure such as hospitals and schools, she is renowned for the establishment of institutions that are ranked among the best in South Gujarat. As a Trustee of the GnyanDham Vapi Charitable Trust, the Ankleshwar Industrial Development Society, Sandraben Nursing College and the Chairman of Shroff Rotary Institute of Chemical Technology (SRICT) established in 2011, (top 3 of the Gujarat Technical University of 100+ colleges), she spearheads their various social upliftment projects. Mrs. Shroff's sensitive mind and emphatic attitude towards life are also evident from the fact that she has adopted the Model Eklavya Residential School at Ahwa, which is a school for tribal children in Dang district. She is also involved in umpteen social and welfare activities such as building of village schools, providing tube-wells to villages and helping the tribal farmers with better methods of farming and agriculture. She has been an active leader in Global Parli which from 2016 has transformed 15 villages without drinking water into thriving agriculture centres and has expanded work in 5 districts and more districts are coming forward and asking if they can join the initiative.

She is the President of the Burns Association of India and had the honour of being a member of the National Integration Council which is attended by the Prime Minister and chaired by the Home Minister.

MR. JAI SHROFF

Mr. Jai Shroff is the Global CEO of UPL Limited. He is a well-recognised global leader in the Chemical & Agri-Inputs industry with over 30 years of experience in India and internationally.

UPL group is focused on strengthening the food security in over 138 countries by offering world class technologies and solutions for sustainable agriculture production. Under Jai's leadership, UPL has been one of the fastest growing agri-input companies in the world with strong presence in the seeds, plant nutrition, crop protection, post-harvest and biologicals food preservation value chains. He has driven the transformation of UPL from a largely domestic player to a truly global Indian multinational organisation.

Jai believes in the power of collaboration and inter-sectoral partnerships. He is actively involved in the global development agenda, including the World Economic Forum's Grow Africa and Grow Asia initiatives, IFPRI's Sustainable Agriculture and Global Food Security Initiative, WBCSD, Chicago Council, IGD and ICAR.

MR. VIKRAM SHROFF

Mr. Vikram Shroff is part of the leadership team of UPL. He has been passionately driving continuous organisational improvement with his dynamic leadership, sound strategic insights and outstanding people management skills.

Blessed with the ability to look into the minutest details, he has set challenging cross-functional aspirations for UPL, leveraging the organisational values towards excellence. He is instrumental in making strategic decisions for UPL, leads many of the functions and has been responsible in the execution of several projects of the group.

A philanthropist to the core, he has taken charge of the various initiatives designed for the war on COVID-19 by UPL.

He is very enthusiastic about the social development projects and the educational endeavours of the Shroff family that benefits more than 5,600 students annually. He believes in spreading the light of knowledge through innovative learning methods and leads a team that constantly strives for the same.

MR. ARUN ASHAR

Mr. Arun Ashar, UPL's Director of Finance, blends knowledge and love for nature. Apart from being a highly successful Chartered Accountant with a rich experience of 42 years, he is also a member of the National Society of Friends of Trees and Giri Vihar, a well-known mountaineering club. He is known to handle matters of audit, taxation, legal, purchase and business development with the same grace with which he climbs peaks.

He is a member of the Institute of Chartered Accountants of India, completed his graduation from the University of Mumbai and obtained his Chartered Accountant degree from The Institute of Chartered Accountants of India.

MR. PRADEEP GOYAL

Mr. Pradeep Goyal is a qualified engineer, having completed his B. Tech (Metallurgy) from Indian Institute of Technology, Kanpur (1978) and S.M. (Materials Science and Engineering) from the world-renowned Massachusetts Institute of Technology, Cambridge, MA, USA, (1980). He was trained at Mukand Limited, India and Degussa International, Germany. He also worked at Air Products and Chemicals Inc., USA for 3 years at various positions, before he joined as Whole-Time Director of Pradeep Metals Limited in the year 1983. He was promoted as Chairman and Managing Director of the Company on August 31, 2001. He is also currently on the Board of Directors of Munak Engineers Private Limited, UPL Limited, Uniphos Enterprises Ltd, Hind Rectifiers Limited, IIT Bombay Research Park, Technology Development Board and NIFFT. He has been a Trustee of ASM International, USA (2005-2008), a Fellow of the ASM International.He is also a Member of Indo-German Chamber of Commerce, Indian Merchants Chamber and Thane Belapur Industries Association. He is also the Chairman of Ekal Abhiyan of India, an NGO which operates over 1,00,000 schools for tribal children in India. He is also a developer of patented innovative technologies using high temperature microwaves.

Board of Directors Cont.

DR. REENA RAMACHANDRAN

Dr. Reena Ramachandran is a double doctorate in Chemistry from Allahabad University and France. Dr. Reena Ramachandran, former. CMD, Hindustan Organic Chemicals, is currently an Independent Director in the Board of United Phosphorus Ltd. (now UPL Ltd) served as Member of Task Force, Performance Management Division, Cabinet secretariat; Member of the Board of Governors, IIT (Kanpur); Senior Scientific Officer, Ministry of Science and Technology; Member – Governing Board, Council of Scientific and Industrial Research (CSIR); Expert Member, Technical Advisory Committee on HR, Reserve Bank of India; Member of the Expert Committee of HRD Ministry for devising Policy perspective for Management Education; Member, Film Censor Board. She has over 40 years of experience across petroleum, petrochemicals and cement industry (GM, ONGC / Ex. Director PCRA/ GGM, Cement Research Institute, Ballabhgarh) and over a decade of experience in management education.

She was awarded as 'Mahila Shiromani' by Vice President of India,1989; 'Best Communicator' by Press Council,1989; 'Manager of the Year' by ONGC, 1987; 'Energy Man of the Year' by IBPL, Urja Research Foundation,1997; Elected Fellow of Indian National Academy of Engineering (INAE) & All India Management Association (AIMA); Dewang Mehta Life Time Achievement Award, 2009; 'EXEMPLARY LEADER AWARD-2010' by CMO Asia, Singapore; Life Time Achievement Award in Higher Education by Higher Education Forum in 2011; Distinguished Alumni award by Allahabad University Alumni Association in 2015; 'Life Time Achievement Award' by the Ministry of Petroleum and Natural Gas for outstanding contribution to Oil and Gas industry during 'Urja Sangam – 2015'.

MR. HARDEEP SINGH

Mr. Hardeep Singh started his career with the Tata Group and rose through the ranks to be Director - Agrochemicals, Rallis India Limited. During his stewardship, Rallis Agrochemicals became the largest Agrochemicals business in India with unique assets and capabilities. He was Executive Chairman of Cargill South Asia for over a decade until 2006 and was responsible for all Cargill's businesses in India and South Asia. He has also served as Chairman of Amalgamated Plantations, a Tata Enterprise, and as Non-Executive Chairman of HSBC InvestDirect India Limited.

He has chaired Confederation of Indian Industry (CII) national task force on food security and is a past member of National Council of CII and the National Committee for Agriculture of FICCI. He is a keen observer and practitioner in the global and Indian agriculture and food arena. He has been an invited speaker on food and agriculture at Global Forums, including the World Bank, US Department of Agriculture Global Conference, International Food Policy Research Institute (IFPRI) in Washington DC and Imperial College in the UK. He has also been a guest lecturer at IIM Ahmedabad.

Mr. Hardeep Singh has BA Economics from Pune University and Advanced Management Programme (AMP) from Kellogg School of Management, USA.

DR. VASANT P. GANDHI

Dr. Vasant P. Gandhi is a Ph.D. from Stanford University, USA and a Professor at the Indian Institute of Management, Ahmedabad (IIMA). He holds a Post-Graduate Diploma in Management (MBA) from IIMA and a Bachelor of Science in Agriculture from Pantnagar. He has been chairman of IIMA's Centre for Management in Agriculture, a Board member of IIMA, and the founder chairman of IIMA's Post Graduate Programme in Agri-Business Management which is ranked as the world's top agri-business programme. He has worked with the World Bank and the International Food Policy Research Institute (IFPRI) in Washington, and at the grassroots level in agriculture and development in India. He has been Visiting Professor at University of Sydney, and James Cook University in Australia, and is adjunct Professor at the University of South Australia. He has produced numerous books and over 100 research papers on issues ranging from economics, finance, food & agriculture policies, institutions & technology in agriculture, as well as markets & agribusiness. A well-known economist and management expert, he has been on a Prime Minister's Task Force, and consultant and advisor to numerous public and private organisations and, is on the Boards of several companies.

MS. USHA RAO-MONARI

Ms. Usha Rao-Monari is a seasoned investment professional with almost 30 years of experience, particularly in the infrastructure area. She is currently a Senior Advisor to Blackstone's Infrastructure Group. Prior to that, she served as Chief Executive Officer of Global Water Development Partners, a Blackstone portfolio company. Prior to Blackstone, she held several senior positions at the International Finance Corporation, part of the World Bank Group. Her last position there was Director of the Sustainable Business Advisory Group. Other positions included Global Head of the Water and Environmental Group, Head of Utilities and Public Partnerships, and experience in the petrochemicals and manufacturing business areas. She was instrumental in founding and establishing the 2030 Water Resources Group, a public-private partnership platform, which is now part of the World Bank Group. Prior to that, she was with Prudential Bache in the corporate finance and mergers and acquisitions areas in New York and London. She has held a number of Board and advisory positions, including on the Veolia Sustainability Committee to the Board, WaterHealth International Board, and Co-Chair, Steering Board, 2030 Water Resources Group, and Chair/Co-chair of several World Economic Forum councils, including Water, Natural Capital and Biodiversity and Environmental and Natural Resource Security.

Leadership Team

MR. JAI SHROFF

Global CEO of the Group

Mr. Jai Shroff is the Global CEO of UPL Limited. He is a well-recognised global leader in the Chemical & Agri-Inputs industry with over 30 years experience in India and internationally.

UPL group is focused on strengthening the food security in over 130 countries by offering world class technologies and solutions for sustainable agriculture production. Under Jai's leadership, UPL has been one of the fastest growing agri-input companies in the world with strong presence in the Seeds, Plant Nutrition, Crop Protection and Post Harvest, +Biologicals food preservation value chains. He has driven the transformation of UPL from a largely domestic player to a truly global Indian multinational organisation.

Jai believes in the power of collaboration and inter-sectoral partnerships. He is actively involved in the global development agenda, including the World Economic Forum's Grow Africa and Grow Asia initiatives, IFPRI's Sustainable Agriculture and Global Food Security Initiative, WBCSD, Chicago Council, IGD and ICAR.

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Director

Mr. Vikram Shroff is part of the leadership team of UPL, he has been passionately driving continuous organisational improvement with his dynamic leadership, sound strategic insights and outstanding people management skills.

Blessed with the ability to look into the minutest details, Vikram has set challenging cross-functional aspirations for the Company, leveraging the organisational values towards excellence. He is instrumental in making strategic decisions for the Company, leads many of the functions and has been responsible in the execution of several projects of the group.

A philanthropist to the core, Vikram is leading the war against COVID – 19 with various initiatives.

He is very enthusiastic about the social development projects and the educational endeavours of the Shroff family that benefits more than 5,600 students annually. He believes in spreading the light of knowledge through innovative learning methods and leads a team that constantly strives for the same.

MR. DIEGO LOPEZ CASANELLO

Global COO

Mr. Diego Lopez Casanello is currently in the role of Global Chief Operating Officer for Crop protection, since UPL acquired Arysta LifeScience in February 2019. Prior to the acquisition, Diego served as Global Chief Executive Officer of Arysta LifeScience since February 2016.

In his tenure as leader of Arysta, he completed the integration of Chemtura Agrosolutions, the Agriphar Group and Arysta LifeScience, and implemented a strategy that focused the business on high growth specialty segments and sustainable technologies, expanding Arysta's EBITDA margin and doubling the peak sales value potential of its R&D pipeline. Before joining Arysta, Diego spent 24 years in Chemical giant BASF, where he worked in different industries ranging from Agribusiness to Specialty Chemicals, as well as different regions, including Europe, North America, South America and Asia.

MR. RAJENDRA DARAK

Group CFO

Mr. Rajendra Darak has been with UPL since the year 1997 and is currently working as the Group CFO. He has been instrumental in providing leadership and guidance to multiple functions within UPL from mergers and acquisitions to strategic developments into new businesses, corporate finance, resources mobilisation, both on-shore and off-shore. He is part of the corporate leadership team which looks after all the Group's growth initiatives.

MR. ANAND VORA

Global CFO

Mr. Anand Vora joined UPL as Global Chief Financial Officer (CFO). He joined UPL from Bunge India, where he worked in senior finance roles both within India and internationally. He brings in more than 31 years of experience.

Previously, he has held several leadership positions in finance with companies such as Dow Chemicals, Ranbaxy and Piramal Group.

MR. SANJAY SINGH

Global CHRO

Mr. Sanjay Singh joined UPL as the Global Chief Human Resource Officer in September, 2018. Sanjay began his career in Civil Services of India, where he served the Indian Railways for 10 years. Post his MBA from NTU, Singapore, his foray into the private sector took him to Dr. Reddy's where he handled multiple global assignments in Russia and Europe. During this period, he had the opportunity to handle acquisitions in Europe and America. He then moved to Tata Motors as Head of HR for the commercial vehicle division, including all its international operations. In his last assignment with Crompton Greaves, he was designated as Executive VP & Global Head - Human Resources and was a member of the Executive Committee.

MR. RAJ TIWARI

Global Head of Supply Chain and Manufacturing

Mr. Raj Tiwari has been with UPL since 2011. He started as Global leader for Projects & Lead for Indirect Procurement. He has been a part of the Global Supply Chain & Manufacturing leadership team at UPL. He has been known for successfully leading large turnkey projects that enabled UPL for meeting its growth objectives.
Raj managed the role of Head - Technical Manufacturing for India for a year before he took on the role of Global Head for Supply Chain & Manufacturing.

MR. CARLOS PELLICER

COO Global Strategy and Innovation and Special Growth Initiatives

Mr. Carlos Pellicer is currently in the role of COO Global Strategy and Innovation and Special Growth Initiatives. He works closely with marketing, R&D and strategic alliances to drive strategic growth initiatives for UPL. Decco and Sinagro Brasil are also lead by Carlos.

He became part of UPL as the CEO for its business in Brazil in the year 2011, through the acquisition of DVA in Brazil. In 2017, he moved to the role of COO – Global Strategy, Innovation and NPD and focused on defining the long-term strategy roadmap for the Crop protection business along with managing the business responsibilities for Decco and Sinagro. With the acquisition of Arysta, he become Global Integration leader and transformed UPL in a Purpose Led company.

MR. FAROKH N. HILLOO

Chief Commercial Officer and Global Head Post-Patent Solutions

Mr. Farokh Hilloo joined UPL in the year 1991 and has held several key leadership positions for UPL. His last assignment was Vice President - International Business and was in charge of Rest of the World (i.e. excluding Americas, Europe) which at that time accounted for 17% of the total global business.

In 2010, he took up the role of Global Sales Director and was responsible for sales and profitability of the entire business. He also played an active role in marketing, regulatory affairs, new product development and strategic sourcing.

He is currently the Chief Commercial Officer (CCO) and head of Post Patent Solutions.

Encouraging moments

Frost and Sullivan Gold Award for Excellence in Manufacturing Practices in the category of Process Sector, Mega Large Business

Frost & Sullivan-TERI Sustainability 4.0 Awards

National Awards for Manufacturing Competitiveness (NAMC) 'Gold' Medal

Quality Circle Forums of India Awards: Won Golds and Silvers across our India operations

The South Gujarat Chamber of Commerce & Industry (SGCCI) Gold Award

Platinum Award in Occupational Health & Safety Management by Apex India Foundation

Platinum Award in Occupational Health & Safety Management

Gold Peacock Occupational Health and Safety Awards

Best Health Care Institution of the year award to Sandra Shroff ROFEL College of Nursing

Mrs. Sandra Shroff was awarded the **'Think CSR' Star Award 2019** for contribution to Urban Environment

Corporate Information

Board of Directors

Mr. Rajnikant Shroff
Chairman and Managing Director

Mrs. Sandra Shroff
Vice-Chairperson (Non-Executive Director)

Mr. Jai Shroff
Non-Executive Director
(Global CEO of the Group)

Mr. Vikram Shroff
Non-Executive Director

Mr. Arun Ashar
Whole-time Director

Mr. Pradeep Goyal
Independent Director

Dr. Reena Ramachandran
Independent Director

Mr. Hardeep Singh
Independent Director

Dr. Vasant Gandhi
Independent Director

Ms. Usha Rao-Monari
Independent Director

Chief Financial Officer

Mr. Anand Vora

Company Secretary

Mr. Sandeep Deshmukh

Auditors

B S R & Co. LLP
Chartered Accountants

Corporate Identity Number

L24219GJ1985PLC025132

Corporate Office

UPL House, 610 B/2, Bandra Village, Off Western Express Highway, Bandra (East), Mumbai - 400051
Tel.: 91 22 7152 8000

Registered Office

3- 11, G.I.D.C., Vapi,
Dist.: Valsad, Gujarat - 396 195
Tel.: 91 260 2400717

Bankers

Bank of Baroda
State Bank of India
Canara Bank
IDBI Bank
Karur Vysya Bank
Axis Bank
Andhra Bank
ICICI Bank
Kotak Mahindra Bank

Shares Department

Uniphos House, C.D. Marg,
11th Road, Madhu Park
Khar (West) Mumbai - 400 052
Tel.: +91-22-2646 8000
Email id: upl.investors@upl-ltd.com

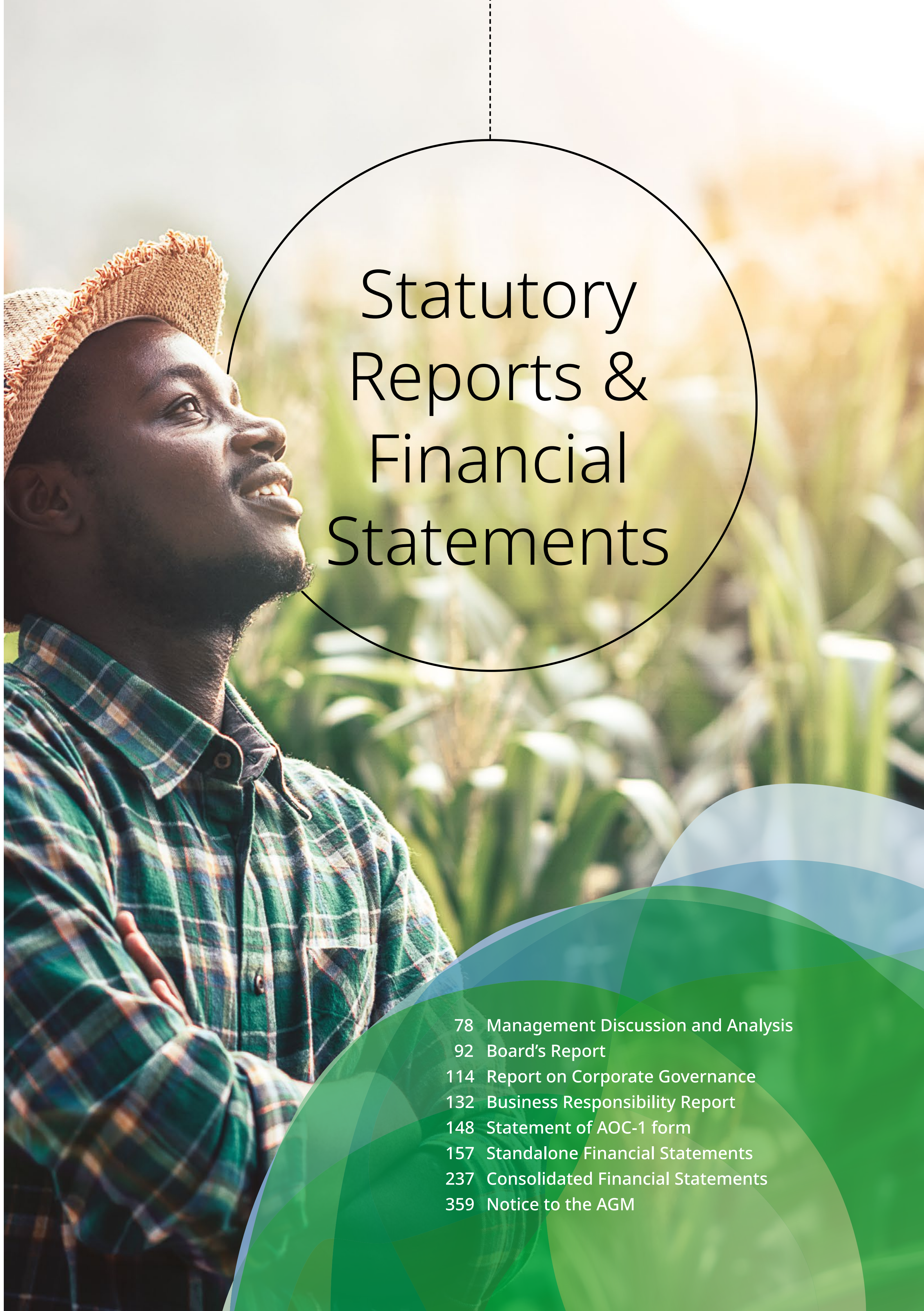
Debenture Trustee

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate
Mumbai - 400 001

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
Unit: UPL Limited
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400 083
Tel.: +91-22-49186270
Email id: rnt.helpdesk@linkintime.co.in

36th Annual General Meeting (AGM) of UPL Limited scheduled on Monday, August 31, 2020 at 3 pm (IST) through Video Conferencing / Other Audio Visual Means. The business to be transacted at the AGM is detailed in the Notice to the AGM.



Statutory Reports & Financial Statements

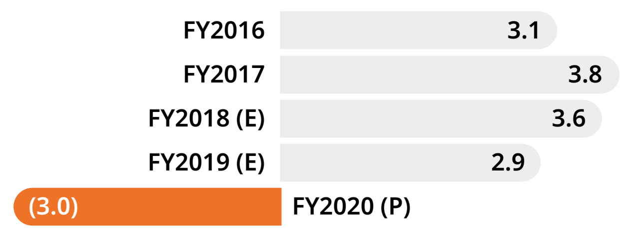
Management Discussion and Analysis

Market Review

Global Economy

Global economic growth slowed down to 2.9% in CY2019 from 3.6% in CY2018, as the weakness observed in the last three quarters of CY2018 spilled over. Although sentiments improved by the end of CY2019 due to a thaw in the US-China trade tensions and fading Brexit uncertainty, the outbreak of the COVID-19 pandemic and consequent lockdowns globally brought economic activities to a near halt in the first quarter of CY2020. As a result, the global economy is projected to contract by 3% in CY2020, much worse than that during the 2008 financial crisis.

GLOBAL FIVE-YEAR GDP GROWTH TREND (%)



Indian Economy

The Indian economy encountered headwinds as volatility and sluggish demand impacted growth considerably. There was a strong hope of recovery in the last quarter of FY2020. However, the sudden outbreak of COVID-19 made this recovery difficult to achieve in the near to medium term. The GDP growth for FY2020 touched 4.2% vis-à-vis 6.1% in FY2019.

However, the country remains an attractive investment destination. It also presents an opportunity for companies to diversify their supply chains and remain resilient to headwinds. India's remarkable improved ranking in ease of doing business by the World Bank (a jump of 67 positions to a current rank of 63 among 190 countries) is a testament to the government's continued efforts to do what it takes to unlock the country's full potential.

Global Crop Protection Market

The global market for conventional crop protection products (excluding herbicide tolerant and insect resistant seed, as well as non-crop agrochemicals) is estimated to have decreased marginally, by 0.8% in CY2019 to US$ 60 billion.

Conventional Crop Protection Market: 2014-2019

Year	2014	2015	2016	2017	2018	2019
World Crop Protection Market (US$ in million)	61,928	58,528	55,349	57,003	60,304	59,827
Nominal change on previous year (%)	+7.9	−5.5	−5.4	+3.0	+5.8	−0.8
Real change on previous year (%)	+8.2	+8.2	−9.4	−4.3	+5.3	−5.8

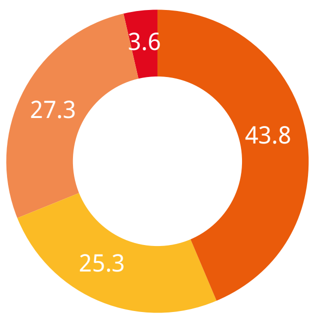
*Restated historic data – PMD proprietary estimates

In CY2019, weather played most influential part in the global agrochemical market, from severe flooding in North America to dry conditions and drought across major areas of Europe and Asia Pacific, dampening demand for crop protection products. In addition, tensions between the US and China shifted global trade patterns, with China replacing US produce, particularly soybeans, with those from Latin America. Other inhibiting factors included increasing regulatory pressures in Europe, leading to a ban on notable chemistries, and strengthening US dollar, which limited growth potential elsewhere.

However, these factors were largely offset by continued pricing strength for generic products, growth in Latin America, increasing adoption of alternative genetically modified traits and shifting demand to more expensive herbicide technologies.

Product Sector Performance in 2019

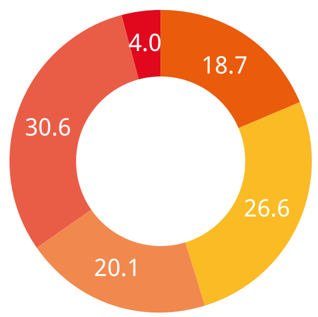
CONVENTIONAL CROP PROTECTION MARKET (%)



Herbicides Insecticides Fungicides Others

Total: US$ 59,827 million

CONVENTIONAL CROP MARKET BY REGION (%)



North America Latin America Europe Asia Pacific Middle East & Africa

Total: US$ 59,827 million

The herbicide market decreased by 1.5% in CY2019 and fungicide sales fell 0.7% due to lower demand as hot, dry conditions in key regions led to reduced disease pressure. The decline in sales was partially offset by growth in Latin America, driven by increased acreage of soybean crops in Brazil and Argentina, due to a shift in demand of Chinese imports away from US produce, high pricing levels for generic herbicides and shift towards more expensive herbicide technologies.

The insecticide market were estimated to be flat, impacted by unfavourable foreign exchange movements. Similar to fungicides, insecticide sales benefited from the improved soybean market in Latin America, coupled with fall armyworm infestations in Asia Pacific.

Crop protection sales in North America are estimated to have decreased by 7.1% owing to the trade conflict between the US and China. The imposition of tariffs on US soybeans by China in CY2018 resulted in lower acreages and reduced demand from North America, leading to stock piling and thus pricing pressure. Further, unfavourable weather in the Midwest during the first quarter with severe cold and snowstorms followed by significant flooding delayed pre-season crop protection applications and spring planting. This was somewhat offset by the return of more favourable weather in the second half of the year, continued high generic prices and increased adoption of recently launched herbicide tolerant technologies over traditional glyphosate, which was facing resistance issues as well as legal and regulatory concerns.

Sales in Latin America has increased significantly for two years in a row, up 7.6% in CY2019, following a 10.6% increase in CY2018, as reduced inventory levels drove crop protection purchasing, particularly in Brazil, and improved prices from China. The trade war also contributed to the growth, with Brazil and China being the major beneficiaries, as China looked to source cheaper products from other markets. However, weakness in the Brazilian Real and Argentine Peso against US dollar limited growth.

The European crop protection market has fallen by 2.8% in CY2019, as hot and dry conditions in Northern and Eastern Europe impacted pest and disease pressure. Further, the region has been witnessing a more stringent regulatory environment in recent years with key products being banned or phased out. Demand in the region has largely been driven by former Soviet Union countries, though farmer liquidity remains an issue in Ukraine. In addition, political uncertainty around Brexit impacted the UK market.

The Asia Pacific region market has decreased by 2.0% due to unfavourable currency movements and detrimental weather in key country markets, especially in Australia which witnessed persistent drought throughout the year. Elsewhere in the region, the increasing spread of fall armyworm infestations was a major demand driver, particularly in China and India, but offset by reduced farmer income owing to crop losses.

Sales in Middle East and African region decreased by 1.0% due to persistent and severe drought in South Africa.

AGROCHEMICAL INDUSTRY LANDSCAPE

The global agrochemical industry has undergone a major consolidation phase, with Bayer overtaking Syngenta as the industry leader and UPL acquiring Arysta Lifescience. Other major beneficiaries, including those who acquired divested portfolios, are BASF, FMC, ADAMA and Nufarm. Overall, setting aside the inorganic growth component, most companies performed largely in line with the industry, with gains in Latin America being offset by declines elsewhere.

Indian Market

INDIAN AGRICULTURAL SECTOR OVERVIEW – CROP YEAR FY2020 MARKS RECORD FOOD PRODUCTION

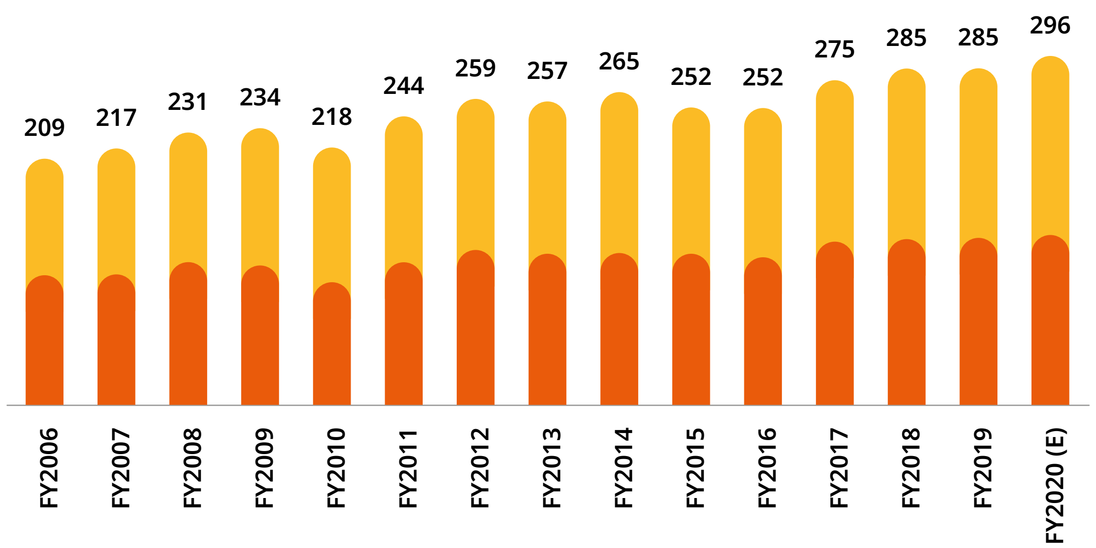
According to the third advance production estimates of major crops for FY2020, food grain production increased by 3.7%, with production of most of the crops estimated to be higher than normal. Cumulative rainfall during the year was also higher than the Long Period Average (LPA).

After two consecutive years of strong harvest of over 285 million tonnes, India's food grain production has reached a new record in crop year FY2020.

The global agrochemical industry has undergone a major consolidation phase. Setting aside the inorganic growth component, most companies performed largely in line with the industry.

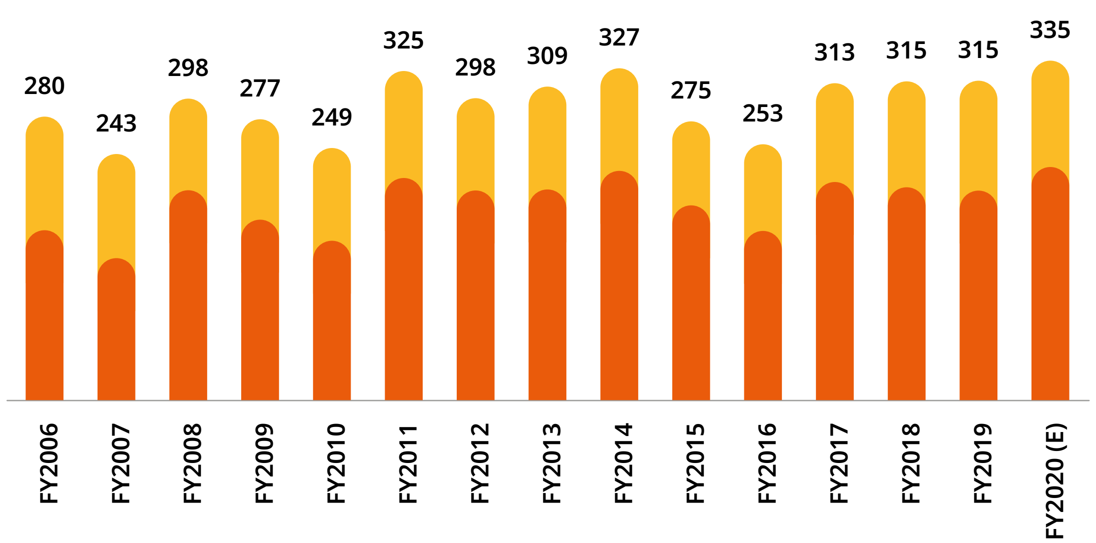
FOODGRAIN PRODUCTION HITS RECORD HIGH IN FY2020

(million tonnes)



OILSEED PRODUCTION IN CROP YEAR FY2020

(million tonnes)



India's global agriculture trade lost momentum in FY2020

After rising by 9.6% in FY2019, India's agricultural trade faced headwinds from increased volatility in the world markets, trade tensions and weak global commodity prices in FY2020. Agricultural exports fell 6.6% y-o-y to ₹ 1.93 trillion in April-December 2019, due to a significant reduction in exports of cotton (-64.1%), oil meals (-37.4%), non-basmati rice (-35.8%), guar gum meal (-26%), cashew (-13%), fresh fruits & vegetables (-12.7%) and buffalo meat (-8.2%). Meanwhile, agricultural imports increased 4.9% y-o-y to ₹ 1.3 trillion in April-December 2019, driven primarily by cotton (145%), pulses (46%), spices (44.7%) and oil meals (67%).

Government initiatives

UNION BUDGET FY2021 AND OTHER INITIATIVES

In the Union Budget FY2021, the government continued to focus on uplifting agriculture through various key initiatives – increased allocation across schemes to boost irrigation, reduced taxes on farm equipment and other products, set up Farmer Producer Organisations (FPO) provided crop insurance, continued fertiliser subsidy and interest subsidies on farm credit.
In addition, direct income support schemes were announced, along with loan waivers of over ₹ 1,000 billion, to support farmers.

Agricultural outlook

NEAR-TERM OUTLOOK – THE ONLY BRIGHT SPOT DURING PANDEMIC

Agriculture and allied activities are the major focus areas in a pandemic-hit world that is working towards ensuring food security. Overall, real agricultural growth is expected to be at 2.5% in FY2021, with risks tilted to the downside due to a hit to horticulture and likely impact of locust attacks. The effects of the pandemic on the sector and all activities it encompasses thus far have, however, been varied.

Further, horticulture production has exceeded that of food grains since crop year FY2013. With the rapid spread of the pandemic and consequent lockdowns to break the chain of transmission, demand for horticultural produce is likely to be impacted much more than that of food grains, which was evident from the collapse of wholesale prices of vegetables and fruits in April, despite a sharp reduction in mandi arrivals.

The recent locust attack remains a key event to watch out for. Its impact on agriculture output is unlikely to be worrisome, as rabi crops have been harvested and a full-fledged kharif sowing is yet to begin. That said, a number of standing crops—largely horticulture produce that was not harvested because of problems in selling—are reportedly under attack. The locust attack needs to be contained on a war footing, as the kharif sowing season is approaching fast.

Reforms related to agriculture stand out in the Atma Nirbhar Bharat Abhiyan package announced by the Government of India. The proposed new law, if enacted, will set the farmers free from the clutches of the Agriculture Produce and Marketing Commission (APMC). This was long overdue, as the APMC—instead of helping farmers sell their produce—has left them vulnerable to price manipulations by traders and commission agents. Further, the amendment of the Essential Commodities Act to deregulate food items (food grains, oilseeds, onion and potato) would also improve price realisations for farmers.

Normal monsoon expected:

The India Meteorological Department (IMD) in its second long-range forecast update set this year's Southwest monsoon at 102% of LPA, up from 100% announced in April. Implying a normal outcome, it pegged over 100% rainfall in all geographical regions and expects a well distributed monsoon rainfall on a spatial and temporal basis. The IMD continues to place the likelihood of a normal monsoon at 41%. The water reservoirs are also at good levels.

Timely kharif Minimum Support Price (MSP) revisions:

The Union government announced kharif MSP well in time, with an average increase of 4.9% for FY2021.

Sowing and procurement in full swing during lockdown:

With favourable Rainfall—tracking 13% above normal—and reservoir levels – 188% above last year's levels, sowing for summer crops gets a head start, with the total acreage under cultivation rising ~44% y-o-y as on July 10, 2020, covering ~55% of the total kharif area sown. To sum up, growth in agriculture in FY2021 is expected to be encouraging, driven by strong food grain production enhanced government focus on food security during the pandemic and continued policy reforms for the sector.

Indian crop protection products market overview

India's domestic agrochemical industry was estimated to grow close to 5% year-on-year and reach an estimated market size of ₹ 216 billion (US$ 3,047 million) in FY2020. Being a net exporter of crop protection products, we exported an estimated US$ 3,660 million worth of agrochemical products in the same period.

INDIAN CROP PROTECTION MARKET OUTLOOK – MOMENTUM EXPECTED TO GET BETTER IN FY2021

The domestic agrochemical industry is expected to start on a positive note in FY2021, driven by a surge in herbicide sales in Q1, pre-buying led by robust demand expectations and price increase in generic molecules. Geographically, North India followed by the South is expected to drive growth. In crops, rice is expected to be the single largest growth driver on the back of acreage expansion and a shift from transplanting rice to Direct Seeded Rice (DSR) owing to labour shortages in key rice growing markets of Punjab and Haryana. These markets will require more herbicides for weed control. Moreover, generic molecules have seen ~5% price increase due to short supply in India as the coronavirus outbreak impacted production in China.

The industry expects a strong growth in FY2021 with even better prospects given the confluence of factors such as (a) healthy monsoon trend, (b) better price realisations, (c) strong demand for herbicides to fill in for labour shortage, (d) locust infestation, and (e) higher cash transfers by government, higher MSP for select crops, higher procurement and increasing focus on farmer incomes in view of the COVID-19 pandemic.

The domestic agrochemical industry is expected to start on a positive note in FY2021, driven by a surge in herbicide sales in Q1, pre-buying led by robust demand expectations and price increase in generic molecules.

INDIAN CROP PROTECTION PRODUCTS OPPORTUNITY REMAINS MATERIAL

India's crop protection industry is expected to be one of the fastest growing markets over the next 5 years. Herbicides and fungicides are expected to grow faster. Low consumption of agrochemicals in India (0.6 kg/ha versus 13 kg/ha and 5 kg/ha in China and the UK, respectively), relatively lower agricultural yields resulting in reduced agricultural exports and high losses due to diseases and pests are expected to structurally drive increasing agrochemical usage.

Furthermore, within agrochemicals, there has been a gradual shift from generics towards specialty products, because of higher effectiveness and increasing affordability. Specialty products are estimated to contribute 20-25% of India's current agrochemical sales.

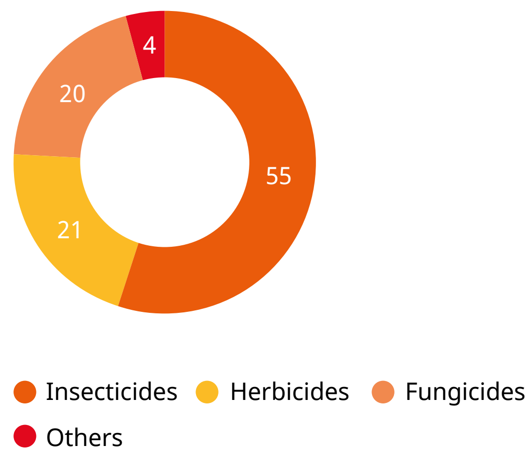
INDIAN AGROCHEMICAL EXPORTS

Indian agrochemical exports (~55% of India's aggregate sales in FY2020) were estimated to grow at a strong 16% y-o-y in FY2020 and are projected to log ~8% CAGR over next three financial years from an estimated US$ 3.66 billion in FY2020 to US$ 4.6 billion in FY2023. India's capability in low-cost manufacturing, a strong presence in generic pesticide manufacturing, availability of technically trained manpower, seasonal domestic demand and overcapacity will drive growth in exports, especially to countries with similar crops and/or climatic conditions. Further, patent expiry of 26 active ingredients until CY2022 is also expected to support export growth from India, as it would open up the space for post-patent manufacturers (India has a strong presence in generic pesticide manufacturing) given the majority of exports are off-patent products.

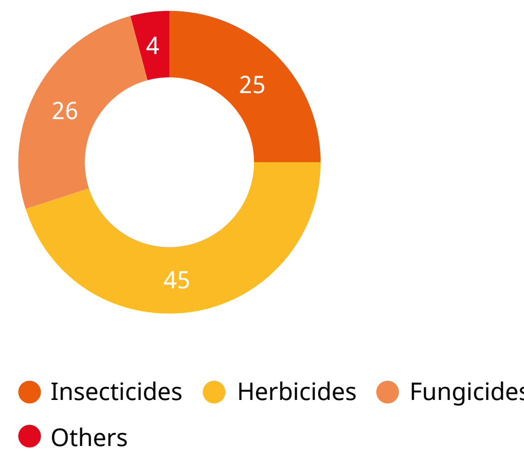
Supply disruptions in China over the last few years due to stringent environmental norms on chemical enterprises and the recent post-Covid-19 developments led to a rise in international prices, thereby making India more competitive in the global market.

Product Sector Performance in 2019

INDIA (%)



WORLD (%)



Overall Outlook

With favourable weather in key markets and strong demand following the COVID-19 pandemic, the outlook appears positive in the long term. However, key developments to watch out for would be the US-China trade war, impact of low crude prices, exchange rate volatility, enhanced focus on climate smart sustainable agricultural solutions and government reforms.

Source: World Economic Outlook, World Bank, CSO, Phillips McDougall IHS Markit, Third advanced estimates of crop production (Ministry of Agriculture) CACP, Kharif price policy report March 2020 (Ministry of Agriculture), Industry & CRISIL Research, Prabhudas Liladhar Broking, FAO

Financial Analysis

FY2020 was a challenging year for the global economy and businesses across the world. The global crop protection and agro-chemical sector was also impacted owing to tough weather conditions in the US and Europe, which are our important markets. Notwithstanding challenges, our encouraging results are a true testament to our agile market-focused strategies, wide access to global markets, deeply integrated supply chain and strong commitment to meet targets ahead of schedule.

Income Statement

- Revenue increased by 64% to ₹ 35,756 crore in FY2020 from ₹ 21,837 crore in FY2019. On a proforma basis (considering twelve months of Arysta) the growth was 13%
- Gross margin increased by 59% to ₹ 14,349 crore in FY2020 from ₹ 9,016 crore in FY2019. On a proforma basis (considering twelve months of Arysta) the increase was 8%
- Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 64% to ₹ 7,452 crore in FY2020 from ₹ 4,555 crore in FY2019. On a proforma basis (considering twelve months of Arysta) the increase was 18%
- Profit after Tax (PAT) was ₹ 2,801 crore in FY2020 from ₹ 2,026 crore in FY2019
- Net Profit (after exceptional items) was ₹ 2,178 crore in FY2020 from ₹ 1,575 crore in FY2019

Balance Sheet

- Net worth increased to ₹ 19,282 crore as on March 31, 2020 from ₹ 14,715 crore as on March 31, 2019
- Net Debt reduced to ₹ 22,061 crore as on March 31, 2020 from ₹ 26,466 crore as on March 31, 2019
- Total non-current assets rose to ₹ 40,842 crore as on March 31, 2020 from ₹ 36,444 crore as on March 31, 2019

Working Capital

- Net working capital cycle reduced to 80 days as on March 31, 2020 compared with 119 days as on March 31, 2019, the lowest achieved in many years
- Inventories reduced to ₹ 7,850 crore as on March 31, 2020 from ₹ 9,133 crore as on March 31, 2019
- Receivables reduced to ₹ 11,428 crore as on March 31, 2020 from ₹ 11,646 crore as on March 31, 2019
- Payables increased to ₹ 11,555 crore as on March 31, 2020 from ₹ 10,548 crore as on March 31, 2019

Key Ratios

Particulars	FY2020	FY2019
EBITDA Margin (%)	20.8	20.0
EBITDA/Net Interest (x)	5.03	4.73
Net Debt-Equity Ratio (x)	1.14	1.80
Net Debt/EBITDA (x)	2.96	5.81
Return on Equity (%)	9.2	10.1
Earnings per share (₹/share)	23.24	19.52

Internal control systems and their adequacy

The Company believes that corporate efficiency, managerial effectiveness and asset safeguarding can be guaranteed by exercising adequate internal controls and ensuring procedural standardisation. At UPL, internal control is implemented through the following initiatives:

- Accurate and timely recording of transactions by utilising a multi-layered system of checks and balances
- Periodic reviews of long-term plans and annual budgets
- Implementation of ERP enabling real-time access to mission-critical data
- Implementation of business intelligence to assess consumer preferences
- Application of accounting policies in line with prescribed standards
- Constant monitoring of processes through routine audits

Human resources

UPL's HR practices are aligned with the best industry norms, and has helped reinforce our market leadership across more than 40 countries. UPL employs professionals from 75 countries globally and invests in formal and informal training as well as on-the-job learning. UPL transferred key executives across geographies to enrich its international leadership pool. During the reporting year, the Company reinforced engagements with employees across levels by providing an enriching workplace, changing job profile, and maintaining an ongoing dialogue. UPL also enjoys one of the highest employee retention rates in the industry.

Risk Management

Risk management and mitigation is an integral part of our global business strategy in line with our mission to make every single food product more sustainable and to help farmers and other valued partners in our ecosystem. Our risk management framework broadly constitutes of a well-defined risk management process and risk management institutional structure.

Our risk-management policy is approved by the Board of Directors, which monitors foreign currency risk on a continual basis. A Risk Management Committee is appointed to review the status of all corporate and plant-level key risks, including economic, environmental and social challenges, which may impact business performance.

Risk management process

- Assess and evaluate
- Communicate
- Manage
- Monitor and follow- up

Objectives of the risk management policy

- To identify and assess various business risks arising out of internal and external factors that can affect the business of the Company
- To follow best-industry practices to ensure total compliance of all regulatory matters
- To formulate a resilient methodology to manage and mitigate risks
- To take adequate steps for smooth running of business operations, to arrange for cover against currency fluctuation for imports and exports and to assure sustainable and profitable growth for the Company
- To set up a framework for the Company's risk-management process and implement it

Risk identification and mitigation

Risks	Description	Impact on	Mitigation measures
Changes in market dynamics	• New market entrants • Change in marketing strategy by competitors • Increase in competitive intensity • Emerging and disruptive technologies/marketing practices viz. Genetically Modified/Hybrid seeds, digitalisation, biotechnology, organic farming, online sale of crop protection products, and so on	• Revenues • Profitability • Market share – loss of customers • Reputation • Obsolescence • Sustainability • Day-to-day business operations	• Wide product portfolio enhances our ability to address the multiple needs of customers across the global competitive crop protection products market • Broader and less concentrated customer base in every country • High intensity and regular farmer and customer engagement to understand evolving requirements • Gathering relevant and top-notch market intelligence • Continuous investment in latest technologies • Partnerships with players having expertise in newer technologies
Research and development	• Inability to launch innovative products • Not keeping pace with emerging technologies • Failure to identify opportunities in terms of emerging trends • Developing and launching products that do not generate commensurate returns	• Revenues • Profitability • Market share • Reputation • Obsolescence • Sustainability	• Strong R&D teams focused on launching innovative formulations, mixtures and combinations; resulting in a steady stream of post-patent products, which offer greater efficacy than those offered by peers • Focused approach by maintaining annual targeted 'Innovation Rate' to ensure that there is no flagging in efforts in launching innovative products
Regulatory changes	• Increased regulatory oversight and adverse changes to regulations in key markets • These changes can impact operations, both in the front-end (ban on sale/reduced usage of products) as well as back-end (ban/restrictions on manufacturing products)	• Revenues • Profitability • Market share • Reputation • Obsolescence • Sustainability • Day-to-day business operations	• Stay abreast of all proposed changes in regulations • Keep a plan in place to fine-tune and adjust the product portfolio in accordance with anticipated changes

Risks	Description	Impact on	Mitigation measures
Product pricing	• Pricing strategy of the Company could fail • Competitors' pricing strategy could put a dent into the Company's margins	• Revenues • Profitability	• Invested in backward and forward integration in terms of manufacturing capabilities to improve margins • Keep a tight control on costs, by continuous cost monitoring and measurement • Consistent identification of areas for rationalising costs • Bulk volume purchases and better negotiation with suppliers helped the Company reduce raw material costs and improve bottom line • Reliable market intelligence and early warning systems in place to highlight competitor moves and industry trends
Supply chain	• Manufacturing facilities are exposed to risks from natural calamities, accidents, breakdowns, failure to modernise, and so on • Logistical chains too can be disrupted by natural calamities on a regional and global scale • Procurement of raw materials and other products, in terms of supplies and costs, can be adversely impacted if there are disruptions at vendor level	• Costs • Revenues • Profitability • Inventory levels • Day-to-day business operations	• Making using of technology (ERP system) to build sufficient safety stocks • Wide geographical manufacturing footprint • Reduce dependence on smaller number of vendors and associating with multiple vendors • Procuring appropriate insurance covers with adequate levels of coverage
Pest resistance	• Due to natural evolution and over-usage, pests are increasingly developing resistance to crop protection products • Number of instances of weeds and insects becoming resistant to proven formulations are on the rise	• Revenues • Profitability • Obsolescence • Sustainability	• Developing and launching differentiated and innovative product profile – combinations/mixtures • Keep making tweaks to formulations to confuse pests and keep resistance at bay • High intensity and regular farmer and customer engagement to understand trends

Risks	Description	Impact on	Mitigation measures
Climatic conditions	• Frequent weather changes: drought, dry weather and floods • Wide fluctuations in temperatures, excessive snow, and so on	• Revenues • Profitability	• Strong presence in key agricultural markets in Asia, Africa, Latin America, Europe and North America helps in reducing dependence on a particular country/region • Efficient and agile supply chain capabilities enabling requisite and timely adjustments to product supplies depending on the weather conditions
Foreign currency fluctuations	• The Company sells its products in 138+ countries in multiple currencies, exposing it to the risk of fluctuating exchange rates	• Revenues • Profitability • Day-to-day business operations • Cash flows	• Remaining fully hedged through forward covers and natural hedges • Developing reports in the ERP system to identify, monitor mismatches in foreign currency exposures and taking appropriate steps to address these mismatches
Liquidity	• Capital market volatilities could impact the Company's access to capital	• Profitability • Day-to-day business operations • Cash flows	• Regular monitoring of cashflows across business units and putting in place early-warning systems to address liquidity issues well in time • Ensure sufficient credit lines are in place across all subsidiaries in the required currency
Tax	• The Company has 225 subsidiaries globally, and strictly adheres to local tax rules and regulations. These are subject to amendments Also, there could be divergent interpretations of these rules and regulations	• Profitability • Cash flows • Reputation • Day-to-day business operations	• Regular monitoring of the tax framework and ensuring compliance of respective tax rules and regulations • Keeping abreast of key proposals for changes in local tax regulations
Cybersecurity	• Global operations of the Company lead to greater reliance on internet-based applications. This increases the risks of data breaches and integrity	• Loss of data • Profitability – on account of ransomware • Day-to-day business operations	• Consistent investments in latest IT security systems • Setting up of adequate firewalls and disaster recovery systems • Continuous event-monitoring and appropriate access authorisation levels

Cautionary statement

The statements in the management discussion and analysis section with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and less than accurate assumptions. Market data and information are gathered from various published and unpublished reports. Their accuracy, reliability and completeness cannot be assured.

Board's Report

Dear Members,

Your Directors have pleasure in presenting their report and audited financial statements (consolidated and standalone) for the year ended March 31, 2020.

FINANCIAL RESULTS

₹ in crore

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2108-19
Total Income	35,860	22,077	10,147	9,220
Earnings before interest, tax, depreciation, amortisation, exceptional, prior period adjustments and minority interest	6,877	4,053	1,711	1,399
Depreciation/amortisation	2,012	880	891	724
Finance Cost	1,481	963	272	185
Exceptional items	623	451	10	4
Profit/(Loss) from Associates	3	14	-	-
Profit before tax	**2,764**	**1,773**	**538**	**486**
Provision for taxation				
Current tax	759	442	55	83
Adjustments of tax relating to earlier years	8	(4)	-	(3)
Deferred tax	(181)	(240)	22	1
Profit after tax	2,178	1,575	461	405
Minority interest	402	84	-	-
Net profit for the year	**1,776**	**1,491**	**461**	**405**

DIVIDEND

Your Directors have recommended dividend of 300% i.e. ₹ 6/- per equity share of ₹ 2/- each for the financial year ended March 31, 2020, which if approved at the forthcoming Annual General Meeting ("AGM"), will be paid to all those equity shareholders of the Company whose name appear in the Register of Members and whose name appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited. The total dividend pay-out will amount to approx. ₹ 458 crore resulting in pay-out of 99.41% on standalone profit after tax of the Company and 25.79% on consolidated profit after tax of the Company.

The dividend recommended is in line with the dividend distribution policy of the Company. The policy is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

OPERATIONAL PERFORMANCE

FY2020 was a significant year for the Group as it was celebrating its 50th anniversary year and also completed integration for the landmark Arysta acquisition.

The Company reported strong financial and operating performance for FY2020. During the year, consolidated revenue from operations grew by 13% to ₹ 35,756 crore from ₹ 31,616 crore and EBITDA increased by 18% to ₹ 7,452 crore from ₹ 6,312 crore in FY2019. The EBITDA margin stood at 21% in FY2020 (20% in FY2019). For details of financial performance please refer to Management Discussion and Analysis Report. The region-wise highlights of FY2020 were as under:

- The Company witnessed 24% growth in terms of revenue in Latin America. The Company achieved 4th position in Brazil and first position in Mexico and Columbia. The customers are awarding UPL higher shares of wallet after integration. The Company has a complete portfolio in this region in soy, corn, sugarcane and cotton which are driving sales.
- The Company witnessed 13% growth in terms of revenue in North America despite floods driving market decline. The Company shared growth in major product lines and a strong growth in Canada, thanks to synergies in combined portfolio. The China-USA tariff war was a tailwind to UPL by helping customers hedge risk.
- In Europe, dry conditions and forex impacted revenue by 7% year-on-year. The dry-hot weather conditions impacted crop yields in western and eastern Europe.
- In India, the revenue on a consolidated basis grew by 11% in FY2020 over FY2019. There was a significant growth in Herbicide volumes driven by Glufosinate. Also, ProNutiva package solution and service offering helped to create better value for farmers.
- As regards rest of the world, revenue grew by 12% with gains in South East Asia and Japan. There were synergies in Japan thanks to broader customer base and partnerships. There was strong business growth in South East Asia, thanks to return of rains and synergies. The gain was slightly offset by adverse impact from forex in Africa and drought/wild fire in Australia.

COMPLETION OF INTEGRATION OF ARYSTA

In FY18-19, the Company through its subsidiary UPL Corporation Limited in Mauritius had acquired Arysta LifeScience for USD 4.2 billion. Integration of Arysta was achieved ahead of the target. The integration will go a long way in achieving the synergy in the form of (i) Optimising manufacturing footprint; (ii) Increasing procurement efficiency; (iii) Insourcing R&D activities to boost efficiency and expanded bandwidth to access new technology; (iv) Consolidation into one shared IT platform and reduction of IT infrastructure cost and (v) Consolidation of support functions.

In terms of revenue, the major levers were (i) Complementary portfolios (solution selling) which enabled meeting grower/channel needs through complimentary AI portfolio and access to new crops with a broader base of generic and proprietary products; and (ii) Cross sell through expanded geographic reach which held both companies to expand sales by leveraging each other's complementary geographic presence

Further detailed analysis of the performance and operations of the Company in FY19-20 and future outlook have been covered in the Management Discussion and Analysis Report and other sections of the Annual Report.

COVID-19 PANDEMIC RESPONSE

We as an entity do not operate in isolation, rather we are inextricably linked to the society we live in. Our success is also dependent on how well we respond to needs of society in times of crisis. The COVID-19 crisis is one of the toughest challenges the world has ever faced.

As a responsible organisation, we are doing our bit for India's COVID-19 pandemic response. The Company contributed ₹ 75 crore to PM-CARES Fund, ₹ 1 crore to Mumbai Police Foundation assisting the Government to fight against COVID-19. The Company is also continuously providing large numbers of masks, personal protection equipment (PPE) units to help with the safety of India's frontline heroes in healthcare and sanitisation who are relentlessly fighting the battle against novel corona virus. The Company has provided more than 9,000 litres of hand sanitiser free of cost to the agencies across cities involved in fight against India's COVID-19 pandemic response. The Company also provided approx. 54 lac litres of Sodium Hypochlorite (1% solution) to sanitise various municipalities, government offices, villages etc. The Company also sanitised streets, hospitals, police stations through UPL's Falcon sprayers covering various states.

Similar social initiatives were also undertaken at our international operations both directly and also in collaboration with local associations covering various regions - Brazil, Mexico, Cuba, Colombia, Europe, North America, Canada, Vietnam, Cambodia, Ivory Coast and Costa Rica. Examples of some initiatives included distribution of medical supplies, food packets, sanitisers, masks and PPE's, 24 hours helplines, conducting awareness and educational programs etc.

FINANCE

(a) Deposits

During FY2020, the Company did not accept any deposit within the meaning of Chapter V of the Companies Act, 2013.

(b) Particulars of Loans, Guarantees or Investments

The details of Loans, Guarantees or Investments are given in the notes no. 5,6 and 36 to the standalone financial statement.

(c) Changes in Paid-up Share Capital

During the year, the Company issued and allotted shares in the following manner:

(i) 25,46,71,335 fully paid up equity shares of ₹ 2 each were issued as Bonus shares.

(ii) 31,451 equity shares of ₹ 2 each were issued to Employees under Employee Stock Option Plan of the Company.

The equity shares issued during the year rank *pari-passu* with the existing equity shares of the Company.

The paid-up share capital of the Company as at March 31, 2020 was 76,40,45,456 equity shares of face value ₹ 2/- each.

(d) The Company do not propose to transfer any amount to the reserves as provision for proposed dividend.

EMPLOYEE STOCK OPTION PLANS

The Company has two active Employee Stock Option Plans ("Advanta ESOP Plans") as at March 31, 2020 viz. Advanta India Limited Employees Stock Option and Shares Plan – 2006 and Advanta Employee Stock Option Plan – 2013. During the year, the Company closed the UPL Limited – Employee Stock Option Plan – 2017 ("ESOP 2017") as there was no plan to make any further grants under ESOP 2017 and the option grantees communicated their intention not to participate in ESOP 2017 in future. All the plans are administered by the Nomination and Remuneration Committee of the Board.

There were no changes in the ESOP Plans during the financial year under review. The ESOP Plans are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [SEBI (SBEB) Regulations, 2014]. In compliance with the same, a certificate from auditor, confirming implementation of ESOP Plans in accordance with the said regulations and shareholder's resolution, will be placed at the ensuing AGM of the Company.

The requisite disclosures under the SEBI (SBEB) Regulations, 2014 as on March 31, 2020 are uploaded on the Company's website under Investors section. Details of the ESOP Plans have also been provided in the notes to the standalone financial statement.

SAFETY AND ENVIRONMENT

"Doing things Safer is Doing things Better" is the mantra as part of our operating philosophy and business continuity. Safety and well-being of everyone working for and on behalf of the Company continues to be of top priority for the Company. Following significant success of the **"Safety First"** initiative last year which was largely shop floor engagement driven, your Company has extended the same with inclusion of process safety, focusing on the design aspects of the processes, activity-based risk assessments of all manual operations, in order to enhance its overall safety performance and take it to the next level and to meet UPL vision of **"Being Best in Class"** by making **"Safety a way of Life"**.

We also believe that the dynamic natural environment presents both opportunities and challenges to our business. We have developed strategies to ensure the resilience of our operations to current and upcoming environmental risks. While effective environmental risk management is imperative, we strongly believe that the global transition to a more sustainable future provides immense opportunities to our business. Aligned to our legacy, we are constantly working to reduce our environmental footprint and find innovative product solutions that benefit the society. Given our innovation driven growth strategy we envision to deliver inventive and novel products for the global food system in a manner that is sensitive to the current global environmental landscape and the needs of the future generations.

This year your Company has released its third Sustainability Report as per GRI standards. Some of major achievement in this year are summarised below:

- 61% **Dow Jones Sustainability Index (DJSI)** score improved in FY2020 compared to FY2019.
- Scored higher **international sustainability rating** (DJSI & FTSE) in all three dimension (environment, social & governance) from industry average.
- Achieved **Zero Liquid Discharge** in 60% of our operating plants globally.
- Harvested and recycled approximately 440 tankers **rain water** in our operating plants Unit 0, 1, 2 & 4.
- Obtained **environmental clearances** (ECs) from MoEF&CC to enhance production capacity 4 times for our operating plants Unit 0, 1, 2 & 10.
- Implemented **FO Technology** as first among chemical companies in the world to treat high TDS & high COD wastewater in Unit 1, Ankleshwar.
- Implemented **Stream Identification & Segregation** for better wastewater management & treatment.
- Reduced 7.64% specific water consumption, reduced 7.32% specific carbon emissions and reduced 2.7% specific wastewater generation as compared to last year.
- 17% energy comes from renewable sources in our largest two manufacturing plants.

At UPL, Sustainability is driven by smarter innovation and profitable growth. We believe that a business can be profitable by adopting sustainable practices ensuring harmony with the society and environment. Our major future sustainability initiatives by 2025 are summarised below:

1. Reduce 30% environmental footprint from baseline 2019-20.
2. Source 80% raw material from sustainable sources.
3. Zero dependency on tanker & ground water.
4. Enhancing world food security.

RESEARCH AND DEVELOPMENT

The Company has multiple Research and Development Centres which are in almost all the continents. These centres play a very crucial role in accomplishing the Company's mission of manufacturing and supplying crop protection and specialty chemicals to the end users worldwide.

Qualified and talented scientific personnel and state-of-the-art facilities at the Research and Development Centres are the biggest assets for the Company. The centres are dedicated to the development of products and processes that are cost-effective and environmentally friendly keeping in mind the affordability and safety of the end user.

The products and processes developed by the Research and Development Centres are based on the principles of Green Chemistry and Atom Economy amongst others. The products and the processes are rigorously evaluated for hazard and safety at all the stages of development.

To combat the pest in the world, and for effective pest management, Research and Development Centres develop innovative combination products. The developed products are tested for chemical properties, toxicity, impurity profile, bio-efficacy, residue and packaging and so on. The required data is generated at Research and Development Centres and then get the products tested at GLP laboratory to generate the data for submission to the regulatory authority of the country.

Specialty Chemicals and Industrial Chemicals are areas in which the Company has planned to come up in a big way. For this, Research and Development Centres are developing the processes which are industrially viable and safe at the large-scale production.

The Company is committed to creation of Intellectual Property (IP) for the innovative products and processes developed by the Research and Development Centres. Patents are obtained in the countries of interest and appropriate measures are taken to safeguard the IP. At the same time, IP of others is respected.

CORPORATE SOCIAL RESPONSIBILITY

At UPL, we believe in all-inclusive and sustainable growth of society. This philosophy has always been the guiding force in all our community interventions. Not only all our CSR initiatives are determined with the trust that humankind is one community, where each member is responsible for the wellbeing of the other, but also our core businesses are all about connecting with people, in a human way, showing respect, demonstrating trust, celebrating diversity, favoring warmth over cool. We see the value in human connectivity and how it creates new opportunities for everyone.

At present, two core UPL values **"Always Human"** and **"Open Hearts"** are guiding force of our CSR initiatives. Hence our interventions are not restricted to the development of our neighboring communities only, as we work on initiatives that cater to the wider national interest.

Our commitment and interventions cater all the segment of the society and have been classified in 4 focus areas viz. (a) Institution of excellence; (b) Sustainable Livelihood; (c) Nature Conservation and (d) Local and National Need.

UPL's CSR initiatives are being undertaken in 11 countries (including India) and implementing and supporting more than 80 development interventions benefiting more than 70 communities across continents.

- UPL Brazil works on a complimentary education program empowering the local youth to lead meaningful lives.
- UPL Colombia is responding to surrounding communities "whole life cycle" need by promoting the social and economic development through education, entrepreneurship and the conservation of the environment.

  UPL Colombia continued to give its important contribution in the program "Education for Competitiveness", in alliance with the National Federation of Coffee Growers, acting through the Committee of Coffee Growers of the Department of Caldas in Colombia.
- UPL Argentina has established Social Security office at plant for every neighbor community (in the past they need to travel 46 km to have access to social security office).
- UPL Mexico has been collecting and distributing winter clothing to the poorest of the poor since 2015.
- UPL Kenya is working with Mr. Patric Kilonzo – Mwalua Wildlife Trust for Conservation of wildlife at Tsavo West National Park by minimising man-animal conflict through promotion of Sunflower Farming in a sustainable, ecologically responsible way
- UPL Belgium works with charities in the Liège region. Also works with neighborhood children's association for the St Nicolas party.
- UPL UK had the Sandbach anniversary at the local cricket club, they had the inflatable assault course and zorbs on site.
- UPL Côte d'Ivoire started project on improving cardiovascular health outcomes in rural Côte d'Ivoire" (Ivory coast) with Dr. David Lulu/The Heart Fund and Kenya.
- UPL has signed a MOU with Oxford India Centre for Sustainable Development (OICSD) at Somerville College, University of Oxford to UPL Sustainability Fund

  For separate report on Corporate Social Responsibility, please refer to the section 'Social Initiatives' in the annual report.

VIGIL MECHANISM/WHISTLE-BLOWER POLICY

The Company has always strived to conduct its business fairly, ethically and with integrity. In line with this belief, the Company has in place a robust whistle-blower policy to deal with any fraud, irregularity, or mismanagement in the Company. This Policy is in addition to the Company's Global Code of Conduct which also empowers its stakeholders to make protected disclosures through the reporting channels consisting of designated e-mail address, hotline and customised web-portal, details of which are prescribed under the Policy and the Code.

The Chairman of the Audit Committee oversees the whistle-blower policy. The Audit Committee on a quarterly basis is presented an update on the whistle-blower policy. As per the policy, any employee or director can directly communicate with the Chairman of the Audit Committee to report any actual/suspected fraud or non-compliance at the designated e-mail address - whistleblower@upl-ltd.com.

On a regular basis, the Company undertakes all efforts to create awareness among the employees about the Policy including the new joinees during the year. The Policy ensures complete protection to the whistle-blower and follows a zero tolerance approach to retaliation or unfair treatment against the whistle-blower and all others who report any concern under this Policy. Total confidentiality of the proceedings of the policy is also maintained.

The policy is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors. The Policy was revamped during the year and made more robust to include the best practices around the globe.

PREVENTION OF SEXUAL HARASSMENT (POSH) OF WOMEN AT THE WORKPLACE

The Company is committed in creating and maintaining a secure and safe work environment that enables its employees, agents, vendors and partners to work free from unwelcome, offensive and discriminatory sexual behavior and without fear of prejudice, gender bias and sexual harassment. In order to deal with sexual harassment at workplace, the Company has implemented a gender-neutral policy – Prevention and Redress of Sexual Harassment Policy ("Policy").

The Policy applies to all those employed and associated with UPL and its subsidiaries irrespective of whether they are regular, temporary, ad hoc or daily wage basis employees. The Policy also covers all contract workers, consultants, retainers, probationers, trainees, and apprentices or called by any other such name engaged by us whether the terms of their employment are expressed or implied.

A knowledgeable and experienced Internal Compliant Committee comprising mainly of women and an unbiased third party is currently functional to attend and redress complaints that arise under this Policy. Further, there are sub committees at unit locations to ensure strict adherence of this policy and make a workplace free from biases and prejudices. The Committee has not received any formal complaint during FY2020.

All employees are mandated to attend a classroom training and confirm their adherence to the rules. During FY2020, a total of 532 employees were trained on POSH workshop conducted by Company's external partners and 4547 employees acknowledged to comply with the POSH policy.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls. The Company has adopted policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance over:

- Accuracy and completeness of the accounting records
- Compliance with applicable laws and regulations
- Effectiveness and efficiency of operations
- Prevention and detection of frauds and errors
- Safeguarding of assets from unauthorised use or losses

The Company has an in-house Internal Audit department with a team of qualified professionals. The internal audit department prepares an annual audit plan based on risk assessment and conducts extensive reviews covering financial, operational and compliance controls. Improvements in processes are identified during reviews and communicated to the management on an ongoing basis. The Audit Committee of the Board monitors the performance of the internal audit team on a periodic basis through review of audit plans, audit findings and issue resolution through follow-ups. Each year, there are at least four meetings in which the Audit Committee reviews internal audit findings.

Internal Audit function plays a key role in providing to both the management and to the Audit Committee, an objective view and re-assurance of the overall internal control systems and effectiveness of the risk management processes and the status of compliances with operating systems, internal policies and regulatory requirements across the Company including its subsidiaries.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria. Essential components of internal controls are followed as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

The Company has developed and implemented a Risk & Control Framework to ensure internal controls over financial reporting. This framework includes testing and monitoring over entity level controls, process level controls and IT general controls. The entity level controls include testing and monitoring of compliance to business policies. The process level controls include a risk control matrix for monitoring key business processes. The IT general controls include monitoring of the overall IT environment, computer operations and access to programs and data.

On a periodic basis testing of entity level controls, process level controls and IT general controls is carried out and status of testing of controls is presented to the Audit Committee. During the year, controls were tested and no reportable material weaknesses in design and effectiveness were observed.

RISK MANAGEMENT FRAMEWORK

The Company has instituted strong risk management processes as part of its risk management framework. This involves a detailed exercise in terms of identifying the critical risks, assessing them on the basis of probability of occurrence and severity of impact. This is followed by formulating appropriate plans to mitigate these risks. This also enables the management to identify if any such risks can be translated into business opportunities.

Pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Risk Management Committee is constituted consisting of three directors of the Company. The Committee reviews findings of the risk management exercise and effectiveness of mitigation plans put in place. It also seeks feedback from senior executives across different functions and business regions which aids it in identifying, monitoring and managing the critical risks. There is continuous monitoring by the Committee to ensure that mitigation plans are effective in addressing such risks as and when they arise.

Some of the key risks identified in the past are adverse weather, competition, currency fluctuation, liquidity, supply chain, business continuity, cybersecurity, R&D, HR and Regulatory.

For more details on the risks and their mitigation plan, please refer to Management Discussion and Analysis report in this annual report.

The policy is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

SUBSIDIARY COMPANIES/ASSOCIATE COMPANIES

The Company has a number of subsidiary companies and associates, spread across the globe. Crop protection product companies need local registrations to enable them to sell their products in different countries in the world. These registrations are granted by local government body of each country to a local entity established in that country.

As on March 31, 2020, the Company had 225 subsidiaries across the globe. Most of these overseas subsidiaries and associate companies are marketing arms and their main activity is confined to marketing by servicing their local market with greater efficiency and ensuring timely availability of different products of the Company. Some other entities are holding companies which hold investments in other group entities.

The details of essential parameters of each subsidiary/ associate company like share capital, assets, liabilities, turnover, profits before and after tax are given separately under the Statement of AOC-1 Form forming part of the Annual Report.

The companies which were newly added or ceased to be subsidiaries/joint ventures/associates during the year are as follows:

Addition during the year	
Industrias Bioquim Centroamericana, Sociedad Anónima	Costa Rica
Procultivos, Sociedad Anónim	Costa Rica
Inversiones Lapislazuli Marino, Sociedad Anónima	Costa Rica
Bioquim, Sociedad Anónima	Costa Rica
Bioquim Panama, Sociedad Anónima	Panama
Bionic Nicaragua, Sociedad Anónima	Nicaragua
Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Dominican Republic
Nutriquim De Guatemala, Sociedad Anónima	Guatemala
UPL Agro Ltd	Hong Kong
UPL Portugal Unipessoal, Ltda.	Portugal
UPL Services LLC	USA
United Phosphorus Holdings Uk Ltd	U.K.
AFS Agtech Pvt. Limited	India
Natural Plant Protection Limited	India
Cessations during the year	
UPL Deutschland GmbH(Formerly Known as United Phosphorus GMBH - Germany)	Germany
Arysta LifeScience France SAS	France
Arysta Lifescience Italia SrL	Italy
Arysta LifeScience do Brasil Indústria Química e Agropecuária SA	Brazil
Arysta LifeScience Europe Sarl	France
Goëmar Développement SAS	France
Netherlands Agricultural Technologies CV	Netherlands
Dutch Agricultural Formations CV	Netherlands
Agriphar de Costa Rica SA	Costa Rica
Agriphar de Colombia SAS	Colombia
Kempton Chemicals (Pty) Ltd	South Africa
Arysta LifeScience Ecuador S.A.	Ecuador
Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda	Brazil

MATERIAL SUBSIDIARY

As on March 31, 2020, the Company has 7 (seven) unlisted material subsidiaries as per the parameters laid down under SEBI Listing Regulations, which include Anesa S.A., Arysta Lifescience U.K. Brl Limited, Arysta Lifescience Global Limited, UPL Corporation Limited, UPL Limited, Gibraltar, UPL Do Brasil - Industria E Comércio De Insumos Agropecuários S.A. and UPL NA Inc. None of these subsidiaries have sold, disposed off or leased assets of more than 20% of its assets during the current year.

DEALING WITH SECURITIES WHICH HAVE REMAINED UNCLAIMED

As per Regulation 39(4) read with Schedule VI of the SEBI Regulations, the Company is in the process of sending reminders to those Members whose share certificates have remained unclaimed, to contact the Company immediately in the matter. The Registrar and Transfer Agent M/s Link Intime India Pvt. Ltd. is in the process of compiling the data for unclaimed shares. The Company, after following the prescribed procedure will dematerialise unclaimed shares which are retained with the Company. These shares would be held by the Company on behalf of the holders of such shares in an "Unclaimed Suspense Account" to be opened with a depository. All the shares with respect to which dividend remains unclaimed for seven consecutive years, such shares and dividend thereon on those shares shall be transferred to the IEPF Authority as prescribed by the Ministry of Corporate Affairs.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

Prior omnibus approval of the Audit Committee is obtained for related party transactions which are repetitive in nature and in case such transactions exceed the limits approved through the omnibus approval, the transactions are subsequently ratified. The transactions entered into pursuant to the omnibus approval so granted are reviewed on a quarterly basis by the Audit Committee.

Detailed disclosure on related party transactions as per Ind AS-24 containing name of the related party and details of the transactions entered with such related party have been provided under Notes to financial statements. Disclosure on related party transactions on half year basis is also submitted to the stock exchanges.

The policy on related party transactions as approved by the Board is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

INSURANCE

All the properties and operations of the Company, to its best judgement have been adequately insured.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There is no significant and material order passed by the Regulators or Courts which impacts the Company's ability to continue as a going concern.

AUDITORS

a) Statutory Auditor

At the 33rd Annual General Meeting of the Company held on July 8, 2017, the Members of the Company appointed B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022) as the Statutory Auditor of the Company pursuant to section 139 of the Companies Act, 2013 for a term of 5 (five) years from the Company's financial year 2017-18. They will hold office till the conclusion of 38th Annual General Meeting ("AGM") of the Company. The statutory auditor has confirmed that they are not disqualified from continuing as auditor of the Company.

There are no instances of any fraud reported by the statutory auditor to the Audit Committee or the Board pursuant to section 143(12) of the Act. The Auditor's Report on standalone and consolidated financial statements forms part of the Annual Report and contains an Unmodified Opinion without any qualification, reservation or adverse remark.

b) Cost Auditor

Pursuant to section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost account records maintained by the Company are required to be audited. The Board on the recommendation of the Audit Committee, has appointed M/s. RA & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 2020-21 on a remuneration of ₹ 8.5 lakh. The Company has received a certificate of eligibility from the cost auditor for the appointment. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. RA & Co., Cost Auditor is included in the Notice convening the AGM.

The Cost Audit Report for the financial year 2018-19 was filed with the Ministry of Corporate Affairs on August 27, 2019. The Cost Audit Report for the financial year 2019-20 will be filed before the due date.

c) Secretarial Auditor

Pursuant to section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. N. L. Bhatia & Associates, a firm of Company Secretaries in Practice to conduct secretarial audit for the financial year 2019-20. The Report of the Secretarial Auditor is annexed to this report. The report of the Secretarial Auditor for the financial year 2019-20 is unmodified and does not contain any qualification, reservation or adverse remark.

The Board has re-appointed M/s. N. L. Bhatia & Associates to conduct the secretarial audit for the financial year 2020-21. They have confirmed their eligibility for the appointment.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of section 152 of the Companies Act, 2013 ("the Act") and Articles of Association of the Company, Mrs. Sandra Shroff (DIN: 00189012) Director of the Company, retires by rotation at the forthcoming AGM of the Company and being eligible has offered herself for re-appointment. In terms of provisions of Regulation 17(1)(A) of SEBI Listing Regulations, special resolution has been proposed for approval of members.

During the year, the Board of Directors appointed Ms. Usha Rao Monari (DIN: 0008652684) as an Additional Director (Non-Executive & Independent) on the recommendation of the Nomination and Remuneration Committee effective December 27, 2019 to hold office till the conclusion of the ensuing 36th AGM and as an Independent Director for a term of 5 (five) consecutive years effective December 27, 2019, subject to approval of the members at the ensuing AGM.

The first term of 5 (five) years of Mr. Hardeep Singh (DIN: 00088096) as an Independent Director of the Company concluded on February 1, 2020. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, appointed Mr. Hardeep Singh as an Additional Director (Non-Executive & Independent) effective February 2, 2020 for the second term of 5 (five) consecutive years effective February 2, 2020, subject to approval of the members in the ensuing AGM.

Further, the Board of Directors also seeks re-appointment of Dr. Vasant Gandhi (DIN: 00008370), whose first term of 5 (five) years as Independent Director expires on November 22, 2020. Based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation, the Board proposes re-appointment for further period of 5 (five) consecutive years, effective November 23, 2020, subject to approval of the members at the ensuing AGM.

The information of Directors seeking appointment/re-appointment as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, is provided in the notice convening the 36th AGM of the Company.

All the independent directors of the Company as on March 31, 2020 have given requisite declaration stating that they meet the criteria of independence laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year, Mr. Mukul B. Trivedi, superannuated from his position of Company Secretary & Compliance Officer with effect from November 7, 2019. Mr. Sandeep Deshmukh was appointed as Company Secretary & Compliance Officer of the Company with effect from November 8, 2019.

As on March 31, 2020, the Company had the following Key Managerial Personnel as per section 2(51) of the Act:

1. Mr. Rajnikant Shroff – Chairman and Managing Director
2. Mr. Arun Ashar – Whole-time Director
3. Mr. Anand Vora – Global Chief Financial Officer
4. Mr. Sandeep Deshmukh – Company Secretary and Compliance Officer

Evaluation of Board's Performance

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the evaluation process for performance of the Board, its various committees, individual directors and the Chairman of the Board and respective Committees was carried out during the year. Each director was provided a questionnaire to be filled up providing feedback on the overall functioning of the Board, its Committees and contribution of individual directors. The questionnaire covered various parameters such as structure of the Board/Committees, board meeting practices, overall board effectiveness, attendance/participation of directors in the meetings, etc. The directors were also asked to provide their suggestions for areas of improvement to ensure higher degree of engagement with the management.

The Independent Directors during the year, completed evaluation of Non-independent/Non-promoter Directors and the entire Board including the Chairman. The Independent Directors expressed complete satisfaction of the professionally managed overall functioning of the Board, various committees as well as all the directors of the Company. They appreciated the knowledge and expertise of the Chairman and his exemplary leadership qualities which demonstrate positive attributes in following the highest standards of corporate values and culture of the Company.

The respective Committees and the Board also discussed the report of performance evaluation and agreed to take requisite steps to implement the suggestions.

Committees of Board, Number of Meetings of the Board and Board Committees

The Board currently has six committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee and the Finance and Operations Committee. All the recommendations made by the Committees of Board including the Audit Committee were accepted by the Board.

The Board met four times during the year under review. The maximum gap between two Board meetings did not exceed 120 days. A detailed update on the Board, its Committees, its composition, terms of reference of various Board Committees, number of board and committee meetings held and attendance of the directors at each meeting is provided in the Report on Corporate Governance.

Nomination and Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee framed and adopted the Nomination and Remuneration Policy for selection, appointment and removal of directors, senior management, key managerial personnel (KMP) including their remuneration. The Board recognises that various Committees of the Board have very important role to play to ensure highest standards of corporate governance. The Chairman of the Board and other Directors form broad policies and ensure their implementation in the best interests of the Company.

The criteria for selection of directors, senior management and KMP are mainly qualifications, experience, expertise, integrity, independence of the directors, etc.

The remuneration to non-executive directors consists of sitting fees for attending Board/Committee meetings, commission and other reimbursements. As per the approval given by the members, the said commission shall not exceed 1% of the net profits of the Company. All the non-executive, non-promoter directors are paid commission on uniform basis. The Independent directors are not entitled to any stock options under the Stock Option Plans of the Company.

The remuneration to the Managing Director and other Executive Directors consist of monthly salary, allowances, perquisites, commission and other retirement benefits. The remuneration payable to them is subject to the approval of the members of the Company. The overall managerial remuneration payable to them shall not exceed 10% of the net profits of the Company.

In respect of senior management, the remuneration is based on their performance, Company's performance, individual targets achieved, industry benchmark and compensation trends in the industry. Their remuneration consists of monthly salary, bonus, perquisites, KPI and other retirement benefits.

The Nomination and Remuneration Policy is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

Familiarisation Programme for Independent Directors

Pursuant to the SEBI Listing Regulations, the Company has devised a familiarisation programme for the Independent Directors, with a view to familiarise them with their role, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

Through the familiarisation programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. These directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarised with Company's vision, core values, ethics and corporate governance practices.

At the time of appointment of independent director, a formal letter of appointment is given to them, which explains their role, responsibility and rights in the Company.

Subsequently they are apprised of the Company's policies on CSR, nomination and remuneration, plant safety, HR, succession policy for directors and senior management. They are updated with global business scenario, marketing strategies, legislative changes etc. Factory visits are arranged to apprise them of various operational and safety aspects of the plants to get complete understanding of the activities of the Company.

Details of familiarisation programme of Independent Directors are available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

HUMAN RESOURCES

The Company continuously strives to be the best globally in all the domains of its operations. The Company believes that the core foundation of this vision is its employees. The HR strategy is committed to creating an engaging workforce and an inspirational leadership that continuously powers this vision. With Arysta acquisition, there was a bigger task to merge the culture and drive standard vision across. With OpenAg as the new vision, HR made sure that the communication of our new vision reaches with an impact to the last level.

As on March 31, 2020, the Company (including subsidiaries) had 5,922 employees in India and 11,524 employees globally.

Key initiative on HR front:

Launching "my UPL"

The Company has been investing in world class HRIS tool – Success Factors. The tool was implemented to bring the entire integrated organisation on one HR Platform. The manpower for 68 countries was brought on the single platform to provide a standard employee experience. This will help in robust process workflows implementation.

With the implementation of myUPL platform it helped in focusing on the goals and target achievements. Launching of mid-year appraisals and completing the mid-year feedback to achieve the goals has been helpful in creating a performance-based culture. This resulted in completing the entire annual appraisals cycle in myUPL followed by the compensation module implementation to achieve performance calibration and budgets online.

Role Based Organisation

The integrated organisation has made newer and bolder commitments to all stakeholders. To fulfill the same, UPL launched Global Job Levels across to build a role-based organisation. Every employee being mapped based on role being handled keeping in view the size, geography and targets.

Learning

Learning has always been the focus for the organisation to improve performance of the employees including behavior and new product trainings. HR has been organising both regional and global trainings to make sure that the employees' competence are up to the required levels.

Way Forward

a) Role based competencies

Institutionalising role-based system by creating role based competencies and training interventions which will help employees in role migrations and providing opportunities for growth.

b) Talent Management

Utilisation of the force and energy of the millennials, launching of Young Leaders Program and building talent by providing interventions to succeed in a well defined framework. This would pave way for the young talent to learn, implement and grow on an accelerated basis. Succession Planning process will be further streamlined this year.

c) HR Process Outsourcing

To outsource the non-core areas and concentration on the core diligently will be the key focus area for the year. This will bring in more standardisation of process and quick turn around time with cost efficiencies.

d) Culture

Culture continues to be the focus area for the year as the vision of the organisation requires a regular imbibement across different regions, geography and people. A good culture can deliver the required results.

e) New work systems

With Covid 19 pandemic spread, the way the business is run has changed. With a big focus on the safety of the employees, different methods to keep the employees engaged, connected and perform becomes the key to the success of the organisation. Creation and execution of the framework involves developing new work systems in the new reality.

PARTICULARS OF EMPLOYEES

Details of remuneration as required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report.

Particulars of employee remuneration as required under section 197(12) of the Act read with rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of the provisions of section 136 of the Act, the Annual Report is being sent to members excluding the aforementioned information. Any member interested in obtaining such information may write to the Company Secretary 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 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in Annexure to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, the directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) That in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.

b) That such accounting policies as mentioned in the Notes to the financial statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31, 2020 and of the profit of the Company for the year ended on that date.

c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) That the annual financial statements have been prepared on a going concern basis.

e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CORPORATE GOVERNANCE, MD&A AND BRR

Your Company and its Board has been complying with Corporate Governance practices as set out in a separate report, in pursuance of requirement of para C of Schedule V of SEBI Listing Regulations. A certificate from B S R & Co. LLP, Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is part of this Annual Report.

The Management Discussions and Analysis Report and Business Responsibility Report forms part of the Annual Report as required under the SEBI Listing Regulations.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India relating to the meetings of the Board and General Meetings.

CONSOLIDATED FINANCIAL STATEMENT

Consolidated financial statement are prepared for the year 2019-20 in compliance with the provisions of the Companies Act, applicable accounting standards and as prescribed under the SEBI Listing Regulations. The consolidated statement are prepared on the basis of audited financial statements of the Company, its subsidiaries, associates and joint ventures. These consolidated financial statements along with the Auditor's Report thereon form part of the Company's Annual Report.

ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013, a copy of Annual Return has been placed on the website of the Company and the web link of such Annual Return is https://www.upl-ltd.com/investors.

EVENTS AFTER BALANCE SHEET DATE

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this Report.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government of various countries where the Company has operations, Government authorities, customers, vendors and members during the year under review.

CAUTIONARY STATEMENT

Statements in the Director's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

On behalf of the Board of Directors

Rajnikant Shroff
Chairman & Managing Director
(DIN: 00180810)

Mumbai
May 22, 2020

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20

1.	A brief outline of the Company's CSR Policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes	Refer Section on: Corporate Social Responsibility (CSR) in the Board's Report CSR Policy is available at web-link: https://www.upl-ltd.com/investors
2.	Composition of the CSR Committee	Mrs. Sandra Shroff (Chairperson) Mr. Pradeep Goyal Mr. Vikram Shroff
3.	Average net profit of the Company for last three financial years	₹ 470 crore
4.	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)	₹ 9 crore
5.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year	₹ 9 crore
	b) Actual amount spent during the financial year	₹ 16 crore
	c) Amount unspent, if any	Not applicable
	d) Manner in which the amount spent during the financial year is detailed below.	

1	2	3		4		5	6		7	8
Sr. No.	CSR project/activity identified	Sector in which the project is covered		Projects/Programmes		Amount outlay (budget) project/ programme wise	Amount spent on the programme/project		Cumulative Spend upto the reporting period	Amount spent Direct or through implementing agency
		Schedule VII	Description	Local areas/ others	State/district		1. Direct Expenses	2.Over heads		
A.	Institution of excellence									
1.	**Smt. Sandraben Shroff Gnyan Dham School (SSSGDS),** a Co-educational school established in year 1972, affiliated to CBSE syllabus for community in industrial town of Vapi. https://www.srsgnyandham.org/	**Category (ii)**	(ii) Promotion of Education	AT & P - Vapi 396195	District - Valsad, Gujarat	50,00,000	50,00,000	Nil	6,00,00,000	Gnyan Dham Vapi Charitable Trust
2.	**Eklavya Model Residential Schools (EMRS)** under PPP to provide quality education to meritorious tribal children.	**Category (ii)**	(ii) Promotion of Education	At & P – Ahwa	District – Dangs, Gujarat	50,00,000	Nil	Nil	70,00,000	Gnyan Dham Vapi Charitable Trust
3.	**Shroff S. R. Rotary Institute of Chemical Technology (SRICT)** an institution specialising in chemical technology to provide the specific needs of the Chemical Industry in Gujarat. http://www.srict.in/	**Category (ii)**	(ii) Promotion of Education	At & P – Vataria 393135 Tal – Valia	District – Bharuch, Gujarat	4,00,00,000	6,79,74,427	Nil	28,83,17,056	Ankleshwar Rotary Education Society

1	2	3		4		5	6		7	8
Sr. No.	CSR project/activity identified	Sector in which the project is covered		Projects/Programmes		Amount outlay (budget) project/ programme wise	Amount spent on the programme/project		Cumulative Spend upto the reporting period	Amount spent Direct or through implementing agency
		Schedule VII	Description	Local areas/ others	State/district		1. Direct Expenses	2.Over heads		
4.	**Sandra Shroff Rofel College of Nursing** stands with the desire to nurture up the minds of their students that can be a reason for a smile on the millions they had and will come in contact with in their academics, clinical and community area.	**Category (ii)**	(ii) Promotion of Education	AT & P - Vapi 396195	District - Valsad, Gujarat	4,00,00,000	4,00,00,000	Nil	17,50,00,000	Gnyan Dham Vapi Charitable Trust
B.	Sustainable Livelihood									
5.	**UPL Pragati**: Create sustainable livelihood with a sharper focus on farming community, unskilled youth and women to improve the quality of life in the long term. The Strategy envisaged for operationalising under UPL Pragati for the sustainable livelihood has three pillars. 1. Agriculture development thru UPL Khedut Pragati 2. Skill development thru UPL Niyojaniy. Farm Mechanisation training thru Adarsh KrishiNiyojaniy 3. Women SHG & Entrepreneurship thru UPL Udyamita.	**Category (i), (ii), (iii), (iv), (x)**	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (iv) ensuring environmental sustainability; (x) Rural Development/ Slum Development	AT & P - Vapi AT & P - Ankelshwar & Jhagadia Villages in Dang	District - Valsad District - Bharuch, Gujarat District – Dangs, Gujarat	5,57,62,400	35,00,000	Nil	11,35,25,000*	

*This amount is common contribution across sl.no. 05 and 06

1	2	3		4		5	6		7	8
Sr. No.	CSR project/activity identified	Sector in which the project is covered		Projects/Programmes		Amount outlay (budget) project/ programme wise	Amount spent on the programme/project		Cumulative Spend upto the reporting period	Amount spent Direct or through implementing agency
		Schedule VII	Description	Local areas/ others	State/district		1. Direct Expenses	2.Over heads		
C.	Nature Conservation									
6.	**UPL Vasudha:** Environment conservation and responsible actions towards nature go a long way in making nature an alternate source of livelihood for the local population, who have close economic and cultural links with nature. The UPL Vasudha aims at improving the quality of life of the natural habitat in the region through information dissemination, increased awareness and focused efforts to preserve and protect the same. The initiatives under UPL Vasudha are 1. Sarus conservation project. 2. Deer & Ungulate breeding project. 3. Social forestry project. 4. Mangrove plantation 5. Water conservation project 6. Formation of Eco Clubs in community school. 7. Green Ganesha workshop in Mumbai Schools	**Category (ii), (iv)**	(ii) promotion of education; (iv) ensuring environmental sustainability;	AT & P - Vapi AT & P - Ankelshwar & Jhagadia AT & P - Dahej Villages Kheda & Vadodara Dist	District - Valsad District - Bharuch, Gujarat District – Dangs, Gujarat	*	*	*	*	S. R. Shroff Aajivika Trust (SRSAT)
D.	Local Area and National Need									
7.	**LOCAL AREA NEED -** Development Support to community around UPL locations. Focused initiatives are 1. UPL Suraksha Abhiyaan 2. UPL School Sanitation 3. Support to Seva Yagna Samiti, Bharuch for Neonatal Care.	**Category (i), (ii), (iii), (x)**	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (x) Rural Development/ Slum Development	AT & P - Vapi AT & P - Ankelshwar & Jhagadia AT & P - Mumbai	District - Valsad District - Bharuch, Gujarat	5,08,25,000	2,78,50,513	Nil	14,84,30,737	Direct by Company Also with local NGO's working in area as mentioned in column 2

*This amount is common contribution across sl.no. 05 and 06

1	2	3		4		5	6		7	8
Sr. No.	CSR project/activity identified	Sector in which the project is covered		Projects/Programmes		Amount outlay (budget) project/ programme wise	Amount spent on the programme/project		Cumulative Spend upto the reporting period	Amount spent Direct or through implementing agency
		Schedule VII	Description	Local areas/ others	State/district		1. Direct Expenses	2.Over heads		
8.	**NATIONAL NEED -** Development Support for National cause and to organisations like 1. My Super Ward, Mumbai 2. UPL Unnati, Mumbai 3. United Against Child Labour (UACL) 4. Global Parli Project, Marathwada 5. Vandri Cluster development 6. Ekatrita Bhavisya, Vidharbha 7. Save the Children India (SCI) to support Special Care Centre 8. Friends of Tribal Society 9. THE FOUNDATION for Project REACH 10. Apne Aap Women's Collective (AAWC) 11. Cycling for Widows 2020 12. Project "Asptal" – Mobile Medical Service at Hamirpur, Himachal Pradesh	**Category (i), (ii), (iii), (iv), (x)**	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (iv) ensuring environmental sustainability; (x) Rural Development/ Slum Development	PAN India	PAN India	5,01,00,000	1,91,34,032	Nil	21,52,92,699	Through NGO's mentioned in column 2
	Total					**24,66,87,400**	**16,34,58,972**	**Nil**	**1,00,75,65,492**	

6. The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Place: Mumbai
Date: May 22, 2020

Sandra Shroff
Chairperson - Corporate Social Responsibility Committee

Rajnikant Shroff
Chairman and Managing Director

ANNEXURE 2 TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT
FORM NO. MR-3

For the financial year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
UPL Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UPL Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

   e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.

(6) Other Laws applicable to the Company:

   a) Narcotic Drugs and Psychotropic Substances Act, 1985

   b) The Insecticides Act,1968

   c) Factories Act, 1948 and Rules made thereunder

   d) Explosives Act, 1889 - Gas Cylinder Rules, 1981

   e) Petroleum Act, 1934, Rules, 1976

   f) Industrial Employment (Standing Orders) Act, 1946 & Rules 1957

   g) Payment of Bonus Act, 1965, & Rules, 1965

   h) Maternity Benefit Act, 1961 & Rules

   i) Employees Compensation Act, 1923 & Rules

   j) Minimum Wages Act, 1948, M.W(C) Rules, 1950

   k) Child Labour (P&R) Act, 1986 & Rules.

   l) Air (Prevention and Control of Pollution) Act, 1981

   m) Water (Prevention and Control of Pollution) Act, 1974

   n) The Noise (Regulation and Control) Rules 2000

   o) Ozone Depleting Substances (Regulation & Control) Rules 2000

   p) The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996

q) Payment of Wages Act, 1936

r) Employees State Insurance Act, 1948 and Rules and Regulations

s) Employees PF & Miscellaneous Provisions Act, 1952 & Employees Pension Scheme 1952

t) Employees PF & Miscellaneous Provisions Act, 1952 & Employees Provident Fund Scheme 1952

u) Contract Labour (Regulation & Abolition) Act, 1970

v) Legal Metrology Act, 2009

w) Industrial Disputes Act, 1947 and Rules made thereunder

x) Indian Contract Act, 1872

y) Environment Protection Act, 1986 and other environmental laws

z) Payment of Gratuity Act, 1972

aa) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

bb) The States Shops and Establishments Act.

cc) Apprentice Act, 1961 and Rules made thereunder

dd) The Employees Deposit Linked Insurance Scheme 1976

ee) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 and Rules made thereunder

ff) The Equal Remuneration Act, 1976 and Rules made thereunder

gg) The Food Safety and Standard Act, 2006 & The Food Safety and Standard Rules, 2011

hh) The Prevention of Food Adulteration Act, 1954 and the Rules made thereunder

ii) The Bio-Medical Waste Management & The Handling Rules, 1998

jj) The Bureau of Indian Standards Act, 1986 and the Rules and Regulations made thereunder

kk) The Chemical Weapons Convention Act, 2000, and the Rules made thereunder

ll) The Explosive Act, 1884 and the Static and Mobile Pressure Vessels (Unfired) Rules 1981

mm) The Indian Standard Code of Practice for Selection, Installation and Maintenance of Portable First Aid Fire Extinguishers

nn) The Electricity Act, 2003 and the Indian Electricity Rules 1956

oo) The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and KMP that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board/Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions have been taken unanimously and no dissent recorded**.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For M/s N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
UDIN: F00117B000271017

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Date: May 22, 2020
Place: Mumbai

To,
The Members
UPL Limited

Our report of even date is to be read along with this letter.

(1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriate of financial records and books of accounts of the Company.

(4) Wherever required we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

(5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

(7) Due to the ongoing Covid-19 Pandemic we have verified documents digitally only and have not been able to physically verify the same.

For N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
UDIN: F00117B000271017

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Date: May 22, 2020
Place: Mumbai

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20:

Name	Designation	Ratio to median remuneration	% increase in remuneration in FY2020
Mr. Rajnikant Shroff	Chairman and Managing Director	235X	3%
Mr. Arun Ashar	Whole-time Director	53X	3%
Mr. Pradeep Goyal	Independent Director	2X	-12%
Dr. Reena Ramachandran	Independent Director	2X	-1%
Mr. Hardeep Singh	Independent Director	2X	3%
Dr. Vasant Gandhi	Independent Director	2X	-6%
Ms. Usha Rao Monari *	Independent Director	-^	-^
Mr. Vinod Sethi**	Independent Director	-^	-^
Mr. Anand Vora	Global Chief Financial Officer	105X	56%^^
Mr. Mukul B. Trivedi @	Company Secretary and Compliance Officer	-^	-^
Mr. Sandeep Deshmukh @@	Company Secretary and Compliance Officer	-^	-^

2. There has been no change in the payment criteria for remuneration to non-executive / independent directors. The variation reflected in the column "% increase in remuneration in FY2020" is due to the sitting fees for number of meetings attended.

3. Mrs. Sandra Shroff, Mr. Jai Shroff and Mr. Vikram Shroff, Non-Executive Directors does not receive remuneration from UPL Limited.

4. The percentage increase in the median remuneration of employees in the financial year: 11%

5. Number of permanent employees on the rolls of UPL Limited as on March 31, 2020: 4703

6. The average annual increase excluding the managerial personnel in the FY2020 was 10.23%. The percentile increase in the managerial remuneration was 10%.

7. It is affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Notes:

* Appointed as Director w.e.f. December 27, 2019

** Ceased to be Director w.e.f. August 28, 2019

@ Company Secretary and Compliance Officer till November 7, 2019.

@@ Appointed as Company Secretary and Compliance Officer w.e.f. November 8, 2019.

^ Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence, not stated.

^^ Remuneration received during the year includes substantial component of variable pay claimed in FY2020, which is linked to past period entitlements.

On behalf of the Board of Directors

Rajnikant Shroff
Chairman & Managing Director
(DIN: 00180810)

Mumbai
May 22, 2020

Conservation of Energy, Technology Absorption, Adaptation and Foreign Exchange Earnings and Outgo

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

i. The following Energy conservation measures were taken during the year 2019-20.

The Company has dedicated 'Energy Cell' which is continuously working for achieving Energy excellence, by identifying and implementing new and innovative measures across the Company's plants. The team closely monitors specific energy consumption pattern across all manufacturing sites. It also conducts periodic internal & external energy audits. This has resulted in reduction of energy and CO2 footprint. Energy Cell is also involved in building internal capability by imparting trainings and demonstration of new technologies.

Key focus area has been on heat integration in processes and waste heat recovery.

i) Major Energy saving initiatives are mentioned below:

1. Recovered flash steam by introducing a Variable Area Thermo-compressor.
2. Improved condensate recovery percentage through Condensate Polishing Unit.
3. Low grade heat recovered from a critical PCl3 process.
4. Reduced Steam and Ch. Water consumption by installing Heat Pump for Methanol column.
5. Cascading of chillers through common evaporative condenser.
6. Additive added to refrigerant in chiller to avoid oil fouling and thus improvement in chiller performance.
7. Epoxy coated glass finished fans installed for cooling towers.
8. Reduced utility cost of product by utility changeover from chilled water to cooling water in process.
9. Power Purchase from Renewable sources (22 MW from Solar & Wind).
10. Installed Back Pressure Turbine at multilocation to utilise kinetic energy, in place of steam PRV station.
11. Improved pumping performance by providing corra-coat coating for casing & impeller.
12. Power purchase through OpenAccess.

ii. Steps taken by the Company to utilise alternate source & reduce energy consumption:

1. To purchase additional Renewable power purchase and achieve total 30 MWe.
2. Proposing to Install biomass boiler at PL01 towards steam cost reduction & sustainability
3. To implement horizontal deployment of innovative measures, like process pinch, Heat integration, achieving higher overall efficiency, Closed loop condensate & Flash recovery system, Evaporative condenser, BPT's etc.

iii. Capital Investment on energy conservation equipments:

1. A total of ₹ 9 crore were invested in installation of energy efficient equipment. All projects are evaluated and approved based on the lowest energy and carbon foot print.
2. The Company's units have been recipients of multiple awards as a recognition of our energy conservation measures and Sustainability.
3. Confederation of Indian Industry (CII) awarded UPL as "Energy Efficient Manufacturing Unit" & recognised "Variable Area Thermo-Compressor System" as Innovative product of the Year.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

1. Production of an important fungicide active ingredient was started on commercial scale

for manufacture and commercialisation of combination formulations.

2. A process for producing intermediates of a fungicide was commercialised after successful development with desired yield and quality. The intermediate is now produced in-house.

3. Manufacturing process for an herbicide was improved to make it more cost effective and improved production yield.

4. Production of a defoliant was started on commercial scale for manufacture.

5. Production of an herbicide from an in-house manufactured intermediate was successfully implemented.

6. Many new pesticide formulations and combination products were commercialised for launch both in the domestic and international markets.

7. Processes for several active ingredients were developed successfully at Research and Development Centres for future commercialisation.

8. A large number of formulations of various active ingredients and their combinations were successfully developed in the Research and Development Centres for future introduction.

9. Processes were developed for the intermediates of more than five technical as an initiative to be self-dependent.

10. Quality of many actives and formulation products was improved and the process implemented in the plant.

11. Collaborative work with external agencies like Universities, Research Institutes and scientists in their individual capacity has resulted into innovations and new technology implementation at product and process stages and has been useful in upgradation of the existing technologies.

RESEARCH AND DEVELOPMENT (R&D)

a) Specific areas in which R&D initiatives were taken by the company:

i. Creating IP by developing innovative products and processes.

ii. Development of environmentally friendly formulations and processes for the active ingredients.

iii. Development of cost-effective processes for active ingredients and formulated products.

iv. Cost effective product and process development.

v. Development of safe and industrially viable processes for specialty and industrial chemicals.

vi. Increased self-dependency by development processes with backward integration for active ingredients.

vii. Improvement in quality of products and processes resulting in reduced cost of manufacture, reduced waste and improved safety profile for the end user.

viii. Data generation for registration of products globally.

b) Benefits derived by the company:

i. New products introduced globally, resulting in business expansion.

ii. A plant for a fungicide was commissioned for in-house production of a fungicide active ingredient. This will result in a sustained quality of the product and reduce dependency on vendors.

iii. Process improvement in the production of an herbicide will result in cost-reduction and quality improvement of the product.

iv. New products launched globally, resulting in business expansion.

v. Accomplishment of process development for several active ingredients will be helpful in the future implementation in the plants at commercial scale.

vi. Production of Industrial chemicals and Specialty Chemicals will result in more revenue generation.

vii. Development of several pre-mix formulations will result into market launches in future.

viii. The marketed formulations have been worked upon for improved quality and cost effectiveness.

ix. Patent protection for products and processes will result in check on the competition.

x. Increasing number of registrations and regulatory approvals in various countries will result in faster product launches and increase in revenue.

c) Future Plan of Action:

i. Research and Development Centres will be expanded with an improvement in infrastructure to enhance their capabilities.

ii. Technical process development of active ingredients which will become off-patent in 6-8 years, using processes which will be non-infringing, cost-effective and economically viable, and based on Green Chemistry Principles.

iii. Development of innovative, safe and environmentally friendly formulations.

iv. Quality improvement and cost-reduction for existing products and processes.

v. Protect the inventions by capturing the inventions at early stage of R&D and applying for patent.

vi. Data generation for product registration globally.

d) R&D Expenditure (Standalone)

Amount in ₹ crore

	FY2020
Capital	12
Recurring	110
Total	**122**

Total R&D expenditure as a percentage of turnover - standalone 1.27% for FY2020.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Amount in ₹ crore

	FY2020
Total Foreign Exchange Earned	4,354.71
Total Foreign Exchange Outgo	2,955.54

On behalf of the Board of Directors

Mumbai
May 22, 2020

Rajnikant Shroff
Chairman & Managing Director
(DIN: 00180810)

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our corporate governance philosophy is a reflection of our value system encompassing our legacy, culture, vision, mission, policies and relationships with all our stakeholders.

At UPL we are committed to doing things the right way which means taking business decisions which are ethical and in compliance with applicable legislations. Our corporate governance framework is guided by our core values viz:

Always Human – We are all about connecting with people, in a human way – showing respect, demonstrating trust, celebrating diversity. For us, technology is an enabler, not the endgame. We see the value in human connectivity and how it creates new opportunities for everyone. With this, comes our promise to protect people's safety in every way we can.

Nothing's impossible – There isn't any limit to our ambition or our ability to grow. We are not afraid to run with new ideas, work with new partners, anticipate new needs, push ourselves beyond our comfort zones or simply ask 'Why not?'. We dare to change the game and create a new food economy for the world.

Win-Win-Win – We serve a cause bigger than ourselves – sustainability of global food systems. We win when we create sustainable solutions based on responsible choices, when everyone we serve and partner with grows too, and when together we achieve sustainable growth for society as a whole - the biggest win of all.

One team, One focus – We are one team, for maximum impact. One team with shared goals. We all play for the team and no one plays against the team. We have a laser-like focus on what our customers need and want, on anticipating their future needs and how we can create innovative solutions and experiences for them.

Agile – No one is faster or more efficient. We thrive on targets and challenges that, while possibly daunting at first glance, only excite and energise us. Wherever we operate, speed and agility are in our DNA. The world needs our urgency.

Keep it simple, make it fun – Food systems are highly complex and present huge challenges. We cut through this by keeping it simple. People value simplicity, customers especially. And everyone likes fun, so let's have some, doing what we love to do.

The Company in all its dealings endeavours to implement the corporate governance provisions and best practices so as to achieve the objectives of the following principles:

- Recognise the rights of all stakeholders and encourage co-operation between the Company and all its stakeholders.
- Protect and facilitate the rights of all stakeholders.
- Provide adequate and timely information to all stakeholders though timely and accurate disclosures.
- Ensure equitable treatment for all stakeholders.
- Recognise the responsibilities of the Board of Directors towards attainment of the above principles.

The Company has adopted various Codes/Policies towards achieving the best corporate governance practices which *inter-alia* includes Code of Conduct, Whistle Blower Policy, Anti-bribery and Corruption Policy, Gifting Policy, Human Rights Policy, Code of Conduct for Monitoring and Prevention of Insider Trading.

BOARD OF DIRECTORS

Composition of Board

The Board is responsible for providing strategic direction to the Company, establish a policy-based governance system, defining a succession plan, providing independent judgement and overseeing the performance of the management and governance of the Company on behalf of the shareholders and other stakeholders.

The composition of the Board of the Company is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Section 149 of the Companies Act, 2013 ("the Act"). As on March 31, 2020, the Board of Directors comprises of 10 (ten) directors of which 2 (two) are executive including Chairman, 3 (three) non-executive including Vice-Chairperson and 5 (five) are independent. There are 3 (three) women directors, of which, 2 (two) are independent. The composition of the Board is an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities effectively and provide leadership to the business.

During the year under review, Board/Committee meetings were convened by giving appropriate notice well in advance of the meetings. The Directors/Members of the Committee were provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management in this regard. The Directors were also provided with all the information as may be called upon by them.

The Board duly met 4 (four) times during the year. The details of the meetings held are as follows:

Date	Board Strength	No. of Directors Present	% of Directors present	No. of Independent Directors Present
May 17, 2019	10	9	90	4 out of 5
July 31, 2019	10	6	60	3 out of 5
November 7, 2019	9	8	89	3 out of 4
February 7, 2020	10	10	100	5 out of 5

The number of Directorship(s)/Committee Membership(s)/Chairmanship(s) of all Directors are within respective limits prescribed under the SEBI Listing Regulations and the Act. As on March 31, 2020, the details are as follows:

Name of the Director	Category	Attendance Particulars		No. of other directorships and Committee memberships/chairmanships*			Directorship in other listed entities and category of directorship	No. of Shares and Convertible Instruments held by non-executive directors
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships		
Mr. Rajnikant Shroff @ DIN:00180810	Chairman and Managing Director	4	Yes	8	1	-	Director - Uniphos Enterprises Limited - Nivi Trading Limited	N.A.
Mrs. Sandra Shroff @ DIN: 00189012	Non-Executive Vice Chairperson	3	Yes	7	-	-	Director - Uniphos Enterprises Limited - Ventura Guaranty Limited Managing Director - Nivi Trading Limited	-
Mr. Jai Shroff @ DIN: 00191050	Non-Executive Director	3	No	3	-	-	Director - Uniphos Enterprises Limited - Nivi Trading Limited - Ventura Guaranty Limited	81,00,163 Equity Shares
Mr. Vikram Shroff @ DIN: 00191472	Non-Executive Director	4	No	4	-	-	Nil	67,54,324 Equity Shares
Mr. Arun Ashar DIN: 00192088	Non-Promoter and Executive Director	4	Yes	7	5	1	Director - Uniphos Enterprises Limited	N.A.
Mr. Vinod Sethi # DIN: 00106598	Independent and Non-Executive Director	1	No	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Pradeep Goyal DIN: 00008370	Independent and Non-Executive Director	2	Yes	3	2	2	Independent Director - Uniphos Enterprises Limited - Hind Rectifiers Limited Managing Director - Pradeep Metals Limited	Nil
Dr. Reena Ramachandran DIN: 00212371	Independent and Non-Executive Director	4	Yes	-	-	-	Nil	Nil

Name of the Director	Category	Attendance Particulars		No. of other directorships and Committee memberships/chairmanships*			Directorship in other listed entities and category of directorship	No. of Shares and Convertible Instruments held by non-executive directors
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships		
Mr. Hardeep Singh^ DIN: 00088096	Independent and Non-Executive Director	4	Yes	2	2	1	Independent Director - Escorts Limited	48,807 Equity Shares
Dr. Vasant Gandhi DIN: 00863653	Independent and Non-Executive Director	3	Yes	2	1	1	Independent Director - Gujarat State Fertilizers & Chemicals Limited	Nil
Ms. Usha Rao Monari ^^ DIN: 08652684	Independent and Non-Executive Director	1	NA	-	-	-	Nil	Nil

Notes:

* Excludes Directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 Committee Membership / Chairmanship of only Audit Committee and Stakeholders Relationship Committee are considered.

@ Part of Promoter Group. Mr. Rajnikant Shroff and Mrs. Sandra Shroff are spouse of each other and father and mother respectively of Mr. Jaidev Shroff and Mr. Vikram Shroff. Mr. Jaidev Shroff and Mr. Vikram Shroff are siblings.

Did not seek re-appointment as an Independent Director on completion of first term on August 28, 2019.

^ Re-appointed as an Independent Non-Executive Director w.e.f. February 2, 2020

^^ Appointed as an Independent Non-Executive Director w.e.f. December 27, 2019

Video/tele-conferencing facility is offered to facilitate Directors to participate in the meetings.

The details of familiarisation programmes imparted to Independent Directors have been disclosed on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

Directors' Profile

A brief resume of all Directors, nature of their expertise in specific functional areas etc. are available on the website of the Company and also provided separately in the Annual Report.

Board/Committee Meetings and Procedures

The Board has constituted various Committees to govern specific areas of operations/functions. All Board and Committee meetings are held in compliance with Secretarial Standard-1 (SS-1) issued by The Institute of Company Secretaries of India.

During the year under review, the Company has moved to paperless Board and Committee meetings as part of Company's overall digitisation strategy.

Scheduling and selection of agenda items for Board and Committee meetings

The Board annually holds at least four pre-scheduled meetings. Additional Board meeting may be convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. Every quarter, the Board notes compliances of all laws applicable to the Company.

In the Board/Committee meeting, various business heads/service heads are invited to make presentation on their respective areas.

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board/Committee meetings. The agenda is circulated to the Directors well in advance along with all material information pertaining to the agenda items for facilitating meaningful and focused discussions at the meeting. All Board and Committee meetings' agenda papers are disseminated electronically by uploading them on a secured online application thereby eliminating the need for circulation of printed agenda papers.

The broad matters considered by the Board, *inter-alia* include:

a) Annual operating plans, capital budgets and updates therein.

b) Quarterly and annual consolidated and standalone results & financial statements of the Company.

c) Capital/corporate restructuring, mergers and acquisitions related matters.

d) Dividend/bonus related matters.

e) Regular business/function updates.

f) Update from Chairperson of respective Committees.

g) Compliance related matters.

h) Human Resource related matters.

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Committee members for their comments as prescribed under SS-1. The minutes after considering comments of directors, are entered in the minutes book within 30 days from the conclusion of the meeting. The minutes thereafter are signed by the Chairperson of the next meeting. Important decisions taken at Board/Committee meetings are communicated promptly to the concerned departments/divisions. Action taken on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/ Committees for noting.

Independent Directors and their meeting

The Independent Directors are appointed by the Board to provide their independent judgement on the affairs of the Company. The Independent Directors are appointed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors at UPL fulfil the conditions specified in the SEBI Listing Regulations and the Act regarding independence and are independent of the management.

At the time of appointment, each Independent Director is issued a formal letter of appointment containing the terms of appointment, roles, duties and code of conduct among other items. The draft letter of appointment is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors.

During the year under review, the Independent Directors met on February 7, 2020, where all the Independent Directors were present. The meeting was conducted to enable the Independent Directors to discuss the affairs of the Company and put forth their views to the Board.

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure.

Board Skill Matrix

The Board comprises of highly qualified and experienced members who possess required skills, expertise and competencies. The core skills/expertise/competencies identified by the Board of Directors in the context of the Company's businesses and required for effective functioning which are available with the Board are given below. The current constitution ensures that the Board as a whole has balanced mix of skill set identified as below. The matrix of skillset based on 'core expertise' with regards to each such skill, is as under:

Skills	Rajnikant Shroff	Sandra Shroff	Jai Shroff	Vikram Shroff	Arun Ashar	Reena Ramachandran	Hardeep Singh	Vasant Gandhi	Pradeep Goyal	Usha Rao-Monari
Global Business and Economics	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience in driving business success in market across the globe with an understanding of diverse business environment.	✓	✓	✓	✓		✓	✓	✓		✓
Management and Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
General know-how of manufacturing, supply chain, talent management & development including succession planning.	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Strategy and Growth	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Examining and evaluating expansion, diversification and M&A deals for growth.	✓	✓	✓	✓	✓		✓	✓	✓	✓
Crop Protection Products	✓	✓	✓	✓	✓		✓	✓		
Experience and knowledge of products and services offering in crop protection and agriculture yield improvement.	✓	✓	✓	✓	✓		✓			
Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Proficiency in financial management and financial reporting process.			✓		✓	✓	✓	✓		✓
Risk, Compliance and Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Knowledge of management of key risks affecting business/operations, legal & compliance risks, cyber risks. Adopting best governance practices, policies and conflict management.		✓		✓	✓	✓	✓		✓	✓

Note: (✓✓) Possess the 'skill' and has core expertise (✓) Possess the 'skill'

Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the Directors and employees. The Code of Conduct gives guidance and support needed for ethical conduct of business and compliance of law. The Code of Conduct reflect the core values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence. A copy of the Code of Conduct is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors. The Codes have been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Chairman and Managing Director is published in this Report.

Succession Planning

The Company believes succession plans should be proactive and rigorous to identify and secure the best possible talent to oversee and manage the organisation. The succession planning process of the Board and the senior management is managed by the Nomination and Remuneration Committee ("NRC") and reviewed by the Board. The Global Chief Human Resource Officer on a regular basis update the NRC on the succession planning framework and seek their inputs to define a structured leadership succession plan.

BOARD COMMITTEES

The Board Committees are set up by the Board of Directors and are governed by their respective terms of reference which exhibit the scope and responsibilities of the Committees. Presently, the Board has six committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Finance and Operations Committee. The Committees operate under the direct supervision of the Board. The terms of reference of all the Committees were revised during the year to further enhance the effectiveness of the Committees and to benchmark it with the best global practices in governance.

Audit Committee

The Audit Committee currently comprises of 3 (three) directors all of whom are independent directors. Mr. Hardeep Singh is the Chairman and Mr. Pradeep Goyal and Dr. Vasant Gandhi as its other members. The composition of the Committee is in compliance with the Act and the SEBI Listing Regulations. All the members of Audit Committee are financially literate and Mr. Hardeep Singh who has accounting and financial management expertise has been nominated as the Chairman of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The broad terms of reference of Audit Committee as adopted by the Board, *inter-alia*, are as under:

a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b) Review with the management, the financial statements and financial results and Auditor's Report thereon before submission to the Board for approval.

c) Recommend appointment and remuneration of auditors, review their independence and effectiveness of audit process.

d) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

e) Oversee insider trading related matters and provide directions on any penal action to be initiated, in case of any violation of the Insider Trading Regulations.

f) Approval or any subsequent modification of transactions with related parties.

g) Scrutiny of inter-corporate loans and investments of the Company.

h) Valuation of undertakings or assets of the Company, wherever it is necessary.

i) Review the functioning of the vigil policy/whistle blower mechanism.

Detailed terms of reference of the Audit Committee is available on the Company's website: https://www.upl-ltd.com/investors.

During FY2020, the Audit Committee met four times i.e. on May 16, 2019, July 31, 2019, November 7, 2019 and February 7, 2020.

Composition	Mr. Hardeep Singh	Mr. Pradeep Goyal	Dr. Vasant Gandhi
	Chairman	Member	Member
Meetings attended during the year	4	2	4

The Vice-Chairperson, Director – Finance, executives from Accounts, Finance, Corporate Secretarial and Internal Audit functions and representatives of Statutory Auditors are invited to the Audit Committee meetings. The Cost Auditor attend the Audit Committee meeting where cost audit report is discussed. The Internal Auditor functionally reports directly to the Audit Committee.

During the year, all the recommendations made by the Committee were accepted by the Board.

The Chairman of the Committee was present at the last AGM held on August 28, 2019.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") currently comprises of 3 (three) directors all of whom are independent directors. Dr. Reena Ramachandran is the Chairperson and Mr. Pradeep Goyal and Mr. Hardeep Singh are other members. The composition of the Committee is in compliance with the Act and the SEBI Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

The broad terms of reference of NRC, *inter-alia*, are as under:

a) Formulate criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.

b) Recommend appointment/re-appointment/removal of any Director or senior management personnel of the Company including their remuneration.

c) Approve criteria for effective evaluation of the performance of the entire Board, its Committees and individual directors.

d) Review human resource related matters including talent management and succession planning.

e) Administer and monitor Employee Stock Option Scheme(s) of the Company.

Detailed terms of reference of the NRC is available on the Company's website: https://www.upl-ltd.com/investors.

During FY2020, the NRC met three times i.e. on August 1, 2019, November 7, 2019 and February 7, 2020.

Composition	Dr. Reena Ramachandran	Mr. Pradeep Goyal	Mr. Hardeep Singh
	Chairperson	Member	Member
Meetings attended during the year	3	1	3

The Global Chief Human Resource Officer is invited to attend the meetings of NRC. During the year, all the recommendations made by the Committee were accepted by the Board. The Chairperson of the Committee was present at the last AGM held on August 28, 2019.

The criteria for performance evaluation are determined and approved annually by the NRC. During the year under review, performance evaluation of the entire Board, its Committee, individual directors and the Chairman of the Board was conducted through a questionnaire comprising of various parameters such as structure of the Board/Committees, board meeting practices, overall board effectiveness, attendance/participation of directors in the meetings, etc.

The outcome of the Board/Committee meetings was discussed at respective committees and in the Board meeting.

REMUNERATION OF DIRECTORS

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, senior management and their remuneration. The policy lays down criteria for selection of Directors and senior management such as expertise, experience and integrity of the Directors, independent nature of the Directors, personal and professional standing, diversity of the Board, etc. The remuneration policy lays down the entitlements of remuneration to Non-Executive Directors such as sitting fees, commission and other reimbursement. Remuneration to the Managing Director and other Executive Directors will consist of monthly salary, allowances, perquisites, bonus, commission and other retiral benefits. The policy is available on the website of the Company under Investors section at https://www.upl-ltd.com/investors. In respect of senior management, the remuneration will be based on their individual performance, Company's performance, targets achieved, KPI, industry benchmark and current compensation trends in the industry.

Details of the remuneration of Directors

Remuneration of the executive directors are broadly divided into fixed and variable components. The fixed components comprise of salary, allowances, perquisites, amenities and retirement benefits. The variable components comprise of performance based annual commission. The performance criteria are individual performance based on annual targets, Company's performance and recent compensation trends in the industry.

The appointment of executive directors is for a period of five years. The service agreement provides for a notice period of three months on either side.

Remuneration paid to Managing Director and Whole-time Director

(₹ in lakh)

Name of Director	Salary	Retiral Benefits	Perquisites	Commission	Total
Mr. Rajnikant Shroff (Chairman and Managing Director)	540.00	171.76	211.11	450.00	1,372.87
Mr. Arun Ashar (Whole-time Director)	132.00	41.99	77.98	60.00	311.97

The commission payable to Independent Directors for FY2020, is ₹ 10 lakh each to Mr. Pradeep Goyal, Dr. Reena Ramachandran, Mr. Hardeep Singh and Dr. Vasant Gandhi. The commission payable to Ms. Usha Rao Monari and Mr. Vinod Sethi on pro-rata basis is ₹ 2,63,100/- and ₹ 4,11,000/- respectively. The commission for the financial year ended March 31, 2020 will be paid to Independent Directors, subject to deduction of tax, after adoption of financial statements by the Members at the Annual General Meeting.

The Company has paid sitting fees for the year ended March 31, 2020 to Independent Directors for attending Board/Committee Meetings as follows-

Mr. Pradeep Goyal ₹ 2,30,000, Dr. Reena Ramachandran ₹ 2,60,000, Mr. Hardeep Singh ₹ 3,60,000, Dr. Vasant P. Gandhi ₹ 2,45,000, Mrs. Usha Rao Monari ₹ 65,000 and Mr. Vinod Sethi ₹ 40,000.

None of the non-executive directors have any pecuniary relationship with the Company except sitting fees, commission and reimbursement of travel expenses, if any.

Stakeholders Relationship Committee

The Board has constituted a Stakeholders Relationship Committee ("SRC") which comprises of two non-executive directors viz. Mr. Pradeep Goyal is the Chairman and Mrs. Sandra Shroff and Mr. Arun Ashar are other members. The Chairman of the Committee is an Independent Director. The composition of the Committee is in compliance with the Act and the SEBI Listing Regulations. The Company Secretary acts as the Secretary to the Committee who is also the Compliance Officer for compliance under Securities Laws.

The broad terms of reference of SRC, *inter-alia*, are as under:

a) Oversee and review all matters relating to Company's securities.

b) Consider, resolve and monitor grievances of stakeholders.

c) Review dividend and Investor Education and Protection Fund related matters.

d) Oversee the performance of the Company's Registrars and Transfer Agents.

Detailed terms of reference of the Committee is available on Company's website: https://www.upl-ltd.com/investors.

During the year under review, the Stakeholders Relationship Committee duly met one time i.e. on February 7, 2020 and the meeting was attended by all the Members of the Committee.

The Company also has its separate Share Transfer Committee consisting of Mr. Rajnikant Shroff, Mrs. Sandra Shroff, Mr. Arun Ashar and Mr. Sandeep Deshmukh as members. This Committee meets on regular basis to approve transfer of shares, issue of duplicate certificates, redressal of stakeholders grievances among others. Share certificates submitted for dematerialisation and request for rematerialisation were also approved by the Committee.

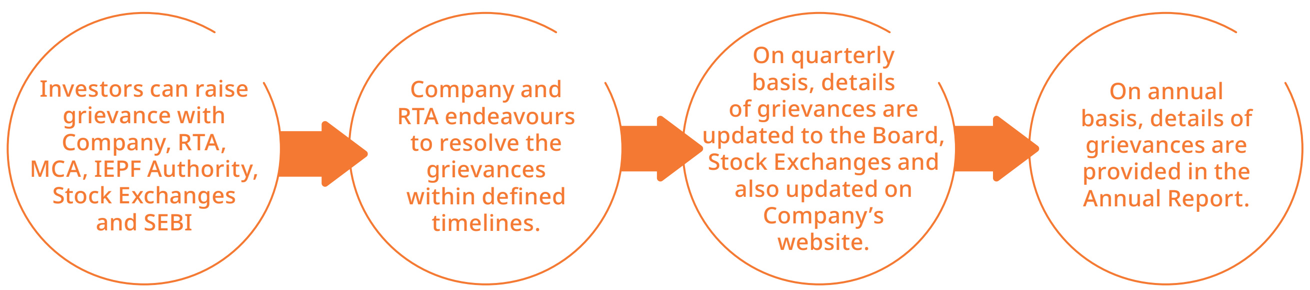
The details of shareholders' complaints received and disposed off during the year under review is as follows:

Number of Complaints	
Pending at the beginning of the financial year	19
Received during the financial year	86
Disposed off during the financial year	102
Pending at the end of the financial year	03*

The complaints were majorly relating to non-receipt of securities, annual report, dividend, etc.

*The pending complaints as on March 31, 2020 were resolved after the end of financial year.

Grievance Redressal Mechanism



Risk Management Committee

The Board has constituted a Risk Management Committee ("RMC") which comprises of two executive directors viz. Mr. Rajnikant Shroff is the Chairman and Mr. Arun Ashar and one non-executive director viz. Mrs. Sandra Shroff. The composition of the Committee is in compliance with the SEBI Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

The broad terms of reference of RMC, *inter-alia*, are as under:

a) Frame risk management plan and policy and reviewing it periodically.

b) Review cyber security risks.

Detailed terms of reference of the Committee is available on Company's website: https://www.upl-ltd.com/investors.

During the year under review, RMC has duly met one time i.e. on February 7, 2020 and the meeting was attended by all the Members of the Committee. The executive of the Risk Management function is invited to the meeting.

Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility Committee ("CSR") which comprises of three non-executive directors including one independent director. Mrs. Sandra Shroff is the Chairperson and has Mr. Vikram Shroff (non-executive director) and Mr. Pradeep Goyal (Independent Director) as other members. The composition of the Committee is in compliance with the Act. The Company Secretary acts as the Secretary to the Committee.

The broad terms of reference of CSR, *inter-alia*, are as under:

a) Formulate and recommend CSR policy to the Board.

b) Recommend amount to be incurred on CSR expenditure and monitor the CSR activities.

c) Approve Corporate Social Responsibility Report, Business Responsibility Report and Corporate Sustainability Report.

Detailed terms of reference of the Committee is available on Company's https://www.upl-ltd.com/investors.

During the year under review, the Committee duly met on February 7, 2020 and the meeting was attended by all the Members of the Committee. The executive of the CSR function is invited to the meeting.

Finance and Operations Committee

The Finance and Operations Committee is a non-statutory committee which has been constituted to delegate certain powers of the Board in the interest of speedy disposal of routine/operational matters which *inter-alia* include finance and treasury related matters, property related authorisations, general authority required under various statutes, issuing power of attorney. The Committee comprises of Mr. Rajnikant Shroff as Chairman and Mrs. Sandra Shroff, Mr. Arun Ashar and Mr. Vikram Shroff as Members. The Committee meets at regular intervals.

GENERAL BODY MEETINGS

Last three Annual General Meetings and Postal Ballot:

Year	AGM	Location	Date	Time
2016-17	33rd AGM	Hotel Green View Hall National Highway No. 8, Vapi- 396 195, Gujarat.	08/07/2017	11:00 a.m.
2017-18	34th AGM		23/08/2018	
2018-19	35th AGM		28/08/2019	

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

2016-17

a) Private placement of Non-Convertible Debentures

b) Approval of UPL Limited – Employees Stock Option Plan 2017 (ESOP 2017)

c) Grant of options to the employees of the Subsidiary Company(ies) of the Company under Employees Stock Option Plan 2017 (ESOP 2017)

2017-18

a) Private placement of Non-Convertible Debentures

b) To re-appoint Mr. Rajnikant Shroff as Chairman and Managing Director and approve payment of remuneration

c) To re-appoint Mr. Arun Ashar as Whole-time Director designated as Director-Finance and approve payment of remuneration

2018-19

a) Private placement of Non-Convertible Debentures.

b) To re-appoint Mr. Pradeep Goyal as an Independent Director of the Company

c) To re-appoint Dr. Reena Ramachandran as an Independent Director of the Company

In FY2020, no special resolution was passed by the Company through Postal Ballot. Further, no special resolution is proposed to be conducted through Postal Ballot as on the date of this report.

Means of Communication

Financial Results – The Company's results on quarterly basis are submitted to the stock exchange and also available on the website of the Company. Extract of consolidated financial results is also published in leading newspapers in English having wide circulation on pan-India basis and in the state where the registered office of the Company is situated such as Financial Express, Western Times, etc.

News and Media releases – Official news and media releases are disseminated to stock exchanges and displayed on the Company's website.

Presentations to Institutional Investors/Analysts – Detailed presentations are made to institutional investors and financial analysts on the Company's financial results on quarterly basis. These presentations are disseminated to the stock exchanges and also available on the Company's website. No unpublished price sensitive information is discussed in meeting/presentation with institutional investors and financial analysts.

Compliance Reports, Corporate Announcements, Material Information and Updates – The Company disseminates the requisite compliance reports and corporate announcements/updates to the stock exchanges through their designated portal.

Annual Report – Annual Report is circulated to members and others stakeholders entitled to the Report. The Annual Report *inter-alia* contains financial and operating performance of the Company, Management Discussion and Analysis Report, statutory reports such as Board's Report, Corporate Governance Report, Business Responsibility Report, Corporate Social Responsibility Report and the financials of the Company. The Annual Report is disseminated to the stock exchanges as well as uploaded on the Company's website.

Website – The Company's website https://www.upl-ltd.com contains a separate Section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Global Leadership Team, Annual Reports, various policies, intimation to stock exchanges are available on the website.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	August 31, 2020 at 3 p.m. (IST) through video conferencing or Other Audio-Visual means as set out in the Notice convening the AGM
Financial Calendar (Tentative)	
Results for quarter ending September 30, 2020 Results for quarter ending December 31, 2020 Results for quarter/year ending March 31, 2021	On or before November 14, 2020 On or before February 14, 2021 First half of May, 2021
Trading Window Closure for Financial Results	From the last day of the previous quarter till the completion of 48 hours after the UPSI becomes generally available.
Financial Year	April 1 to March 31
Dividend payment date	Within 30 days of Annual General Meeting
Listing of Equity Shares	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 512070 National Stock Exchange of India Ltd. Exchange Plaza, C/1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Symbol: UPL
ISIN Number (Demat) in NSDL & CDSL for Equity Shares of ₹ 2/- each	INE628A01036
Listing of GDR on the Stock Exchange	6,31,55,913 GDR (8.27% of the paid-up share capital), arising out of amalgamation of erstwhile Advanta Ltd. with the Company, are listed at Singapore Stock Exchange Ltd. Symbol: BYS
Termination of GDR programme (unlisted)	The Company is in process of terminating the GDR programme (unlisted) consisting of 2,83,680 GDRs representing equal number of equity shares - 0.04% of the paid-up share capital of the Company, in view of the small number of unlisted GDR outstanding.
Listing Fees	The Company has paid the annual listing fees to each of the stock exchanges where its securities are listed.
Suspension from trading	No Securities of the Company were suspended from trading during the financial year 2019-20
Registrar and Share Transfer Agent (Any correspondence regarding share certificate, dividends and change of address)	Link Intime India Pvt. Ltd. Unit: UPL Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083. Contact No.: 91-22-49186270 Fax No.: 91-22-49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in
For the benefit of the Shareholders, the documents will also be accepted at the following office of the Company:	UPL Limited Secretarial Department Uniphos House, C. D. Marg, 11th Road, Madhu Park, Khar (West), Mumbai – 400 052
Correspondence for shares held in demat form	With the respective Depository Participant

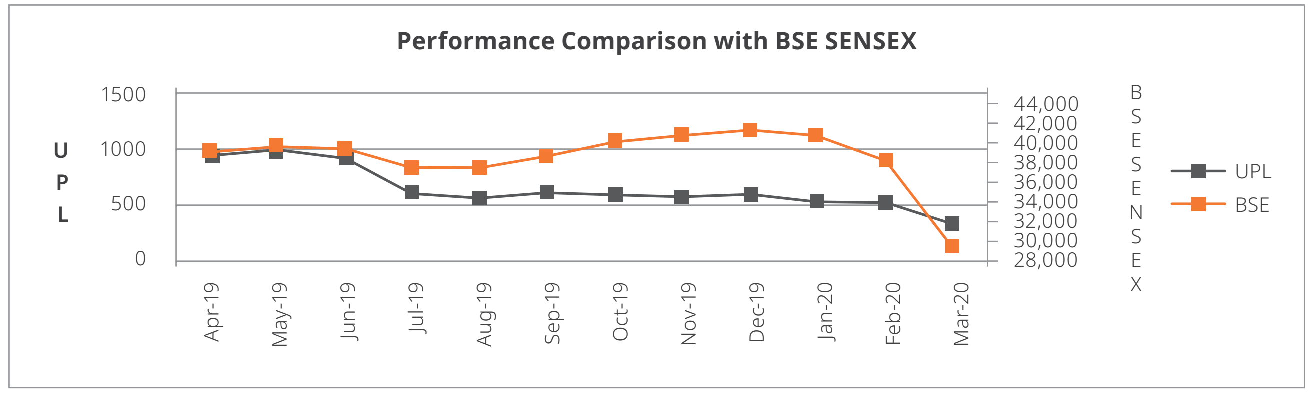
Any query on the Annual Report	Mr. Sandeep Deshmukh, Company Secretary & Compliance Officer UPL Limited CTS No. 610 B/2, Behind Teacher's Colony, Off Western Express Highway, Bandra East, Mumbai – 400051. E-mail: sandeep.deshmukh@upl-ltd.com
Exclusive e-mail ID of the grievance redressal division	upl.investors@upl-ltd.com
Corporate website	www.upl-ltd.com
Share Transfer System	With effect from April 1, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with the depository.

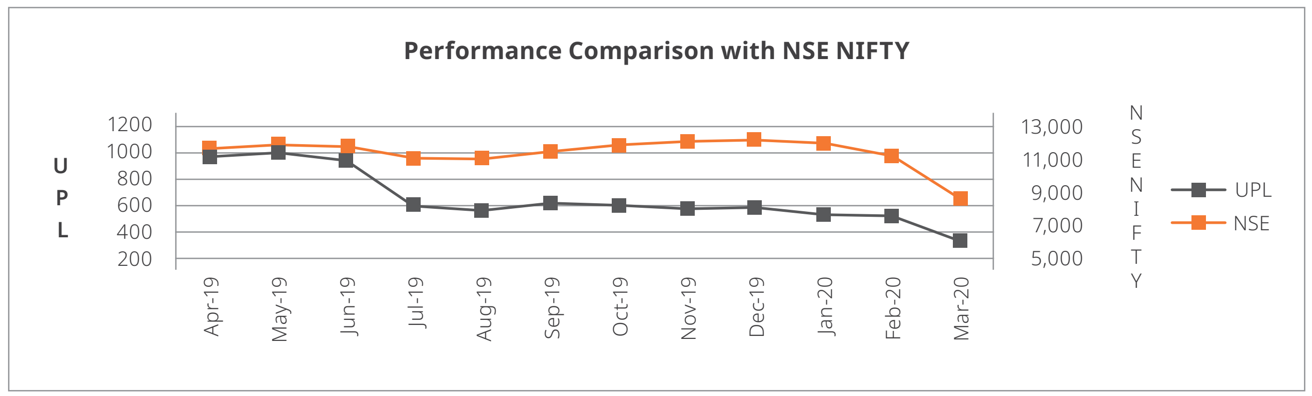
Market Price Data for the period from April 1, 2019 to March 31, 2020

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, 2019	974.70	901.45	975.25	901.00
May, 2019	1043.35	922.70	1043.75	934.05
June, 2019	1045.00	833.65	1040.00	833.00
July, 2019*	957.20	569.10	957.00	568.95
August, 2019	592.80	498.05	592.95	497.85
September, 2019	607.15	543.15	607.80	542.75
October, 2019	613.50	568.40	614.35	568.10
November, 2019	617.55	518.20	617.75	518.35
December, 2019	596.35	552.05	596.20	551.70
January, 2020	614.80	525.00	614.90	525.00
February, 2020	601.00	498.85	601.40	498.70
March, 2020	540.75	240.30	541.60	240.15

* Share price got adjusted to give impact of the issue of bonus shares in the ratio of 1:2 in July 2019

Share price performance in comparison to BSE Sensex and NSE Nifty

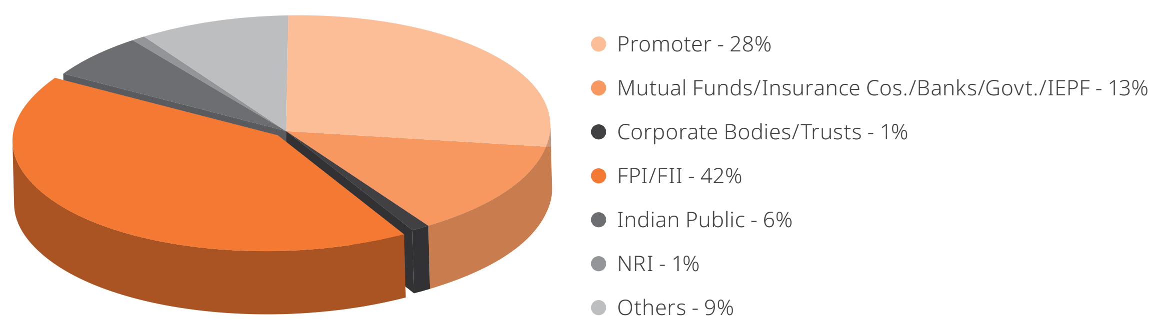




Distribution of shareholdings as on March 31, 2020

Shares Range			Number of Shareholders	% of total shareholders	Total Shares	% of issued capital
1	-	500	106111	87.83	8370567	1.10
501	-	1000	4696	3.89	3453351	0.45
1001	-	2000	3799	3.14	5541364	0.73
2001	-	5000	3377	2.80	10485507	1.37
5001	-	10000	1390	1.15	9976683	1.31
10001	-	20000	523	0.43	7342179	0.96
20001	and above		918	0.76	718875805	94.08
			120814	**100**	**764045456**	**100**

Shareholding pattern as on March 31, 2020



Dematerialisation of shares
99.14% of the outstanding shares are in dematerialised form as on March 31, 2020. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. August 28, 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 FY2020 is given below:

	BSE	NSE	BSE+NSE
In no. of shares (in thousand)	165.21	3335.76	3500.97

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

Outstanding GDR/Warrants and Convertible Bonds, their conversion dates and their likely impact on the equity
As on March 31, 2020, there were 634,39,593 outstanding GDRs under two different programmes. Total 6,31,55,913 (8.27%) GDRs are listed on Singapore Stock Exchange Ltd. while 2,83,680 unlisted GDRs are being terminated.

Transfer of Dividend and Shares to Investor Education and Protection Fund
During the year, the Company has credited approx. ₹ 62.59 lakh to the Investor Education and Protection Fund (IEPF) as unclaimed amounts pertaining to interim and final dividends for FY2012 pursuant to the provisions of the Companies Act, 2013. During the year, the Company also transferred approx. ₹ 67.82 lakh to IEPF as dividend on the shares already transferred to IEPF. The cumulative amount transferred by the Company to IEPF up to March 31, 2020 is approx. ₹ 4.04 crore which includes unclaimed dividend, dividend on shares transferred to IEPF, unclaimed interest/redemption/fractional amount on Non-Convertible debentures and unclaimed interest on fixed deposits.

In accordance with the provisions of the Companies Act, 2013, the Company has transferred 1,00,168 equity shares of ₹ 2/- each, to the credit of IEPF Authority, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2012-13 due date for which is August 25, 2020. The Company has sent intimation to shareholders whose e-mail ids are registered with the depositories/RTA/ Company. The Company also intimated about the same to stock exchanges and published advertisement in newspapers as required under IEPF Rules.

The Company has uploaded on its website, the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2019. Details of shares transferred to IEPF Authority during financial year 2019-20 are also available on the website of the Company.

The Company has also uploaded these details on the website of the IEPF Authority (www.iepf.gov.in).

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

Due dates for transfer to IEPF of unclaimed/unpaid dividends for the financial year 2012-13 and thereafter:

Year	Dividend per share (in ₹)	Due Date for claiming dividend
2012-13	2.50/-	25/08/2020
2013-14	4/-	27/09/2021
2014-15	5/-	04/09/2022
2015-16	5/-	03/08/2023
2016-17	7/-	13/08/2024
2017-18	8/-	26/09/2025
2018-19	8/-	30/09/2026

Credit Rating – NCD & Commercial papers
The Company has obtained rating from CRISIL Limited, CARE Ratings Limited and Brickwork Rating Pvt. Ltd. during the financial year 2019-20.

As on March 31, 2020, the credit ratings were as follows:

Rating Agency	Rating			
	Non- Convertible Debenture	Bank Loan		Commercial Paper
		Long Term	Short Term	
CRISIL Limited	-	CRISIL AA+/ Outlook-Negative	CRISIL A1+	CRISIL A1+
CARE Ratings Limited	CARE AA+ Outlook-Negative	CARE AA+ Outlook-Negative	CARE A1+	CARE A1+
Brickwork Ratings Pvt. Ltd.	BWR AA+ Outlook - Stable	-	-	-

Utilisation of Funds Raised Through Issue of Non-Convertible Debentures
During FY2020, no funds were raised through issue of Non-Convertible Debentures.

Debenture Trustee for the existing NCD programmes
IDBI Trusteeship Services Ltd
Asian Building, Ground Floor,
17, R Kamani Marg,
Ballard Estate
Mumbai – 400 001

Commodity price risk or Foreign Exchange Risk and Hedging activities
The Company has exports of finished products and imports by sourcing of raw materials from outside India. The international trade is primarily in USD and Euro which are major convertible currencies, and to that extent the exposure to forex exchange risk exists. However, the Company exports and imports are in same currencies and there is a natural hedge for these currencies.

To mitigate this foreign exchange risk, the Company works out the net open position relating to trade operations and such net open positions are hedged by taking simple Forward Contracts for a period not exceeding twelve months. Similarly, for exposure on account of capital operations in Foreign Currency, the net open position is hedged by taking Forward Contracts for a period not exceeding twelve months.

The Company has a Risk Management Policy in place which was approved by the Board of Directors. The various derivative transactions relating to Foreign Exchange and all the outstanding derivative contracts are periodically reported to the Board of Directors.

The details regarding various risks applicable to the Company and their mitigation plans have been covered in detail in the Management Discussion and Analysis Report forming part of the Annual Report.

Code of Conduct for Monitoring and Prevention of Insider Trading
The Code of Conduct for Monitoring and Prevention of Insider Trading ("The Code") has been implemented by the Company. The same was revised by the Board with effect from January 1, 2020 to comply with the provisions of law. The Code is applicable to the designated persons (DPs) and their immediate relatives. It, *inter-alia*, lays down the procedures to be followed by DPs while trading/ dealing in the Company's shares and while handling Unpublished Price Sensitive Information ('UPSI'). The revised Code includes the obligations and responsibilities of DPs maintenance of the digital database, mechanism for preventing insider trading and handling of UPSI, familiarisation of sensitivity of UPSI, prohibited and permitted transactions, etc. The Company has also formulated a policy for investigations during leaks/ suspected leak of UPSI which, *inter-alia*, provides for the investigation process to be undertaken, reporting of the investigation.

The Board has constituted a "Insider Trading – Task Force" consisting of Compliance Officer, Chief Financial Officer, Finance Director, Chief Human Resources Officer and Chief

Legal Officer to determine the disciplinary action on case to case basis, without delay and in a consistent manner based on the well-defined and detailed consequence management guidelines.

The Audit Committee is provided a report on Insider Trading related matters on a quarterly basis.

Plant locations
The Company's plants in India are located in the States / Union Territory of Gujarat, Maharashtra, West Bengal, Jammu and Kashmir and Telangana.

Other Disclosures

(a) 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) The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

(c) The Company has devised an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to communicate their concerns about illegal or unethical practices freely. The Company has also established a vigil mechanism for stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The Policy is placed on the website of the Company www.upl-ltd.com. No person has been denied access to the Audit Committee.

(d) Policy for determining 'material' subsidiary has been disclosed on the Company's website www.upl-ltd.com .

(e) Policy on dealing with related party transaction has been disclosed on the Company's website www.upl-ltd.com.

(f) Certificate from N. L. Bhatia & Associates, Practising Company Secretaries, signed by Mr. Bharat Upadhyay, Practising Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the Listing Regulations, is annexed to this Report.

(g) During the financial year 2019-20, all the recommendations of the Committees of the Board were considered and approved by the Board of Directors of the Company.

(h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors of the Company and all its network firms/entities in which they are part, forms part of notes to Consolidated Financial Statements of this Annual Report.

(i) The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has formed an Internal Complaints Committee to redress complaints received regarding sexual harassment. During the year under review, the Committee has received no formal complaints under POSH.

(j) The Company has complied with requirement of the Corporate Governance Report of sub-paras (2) to (10) as mentioned under Clause (C) of Schedule V of SEBI Listing Regulations.

(k) The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

(l) The Company also complies with the provisions of the Secretarial Standards on Board Meetings and General Meetings as issued by The Institute of Company Secretaries of India.

Annual Secretarial Compliance Report
Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from M/s. N. L. Bhatia & Associates, Practising Company Secretaries, confirming compliance of SEBI Regulations/Circulars/ Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.

Discretionary Requirements as specified in Part E of Schedule II under SEBI Listing Regulations

A. The Chairman of the Board is Executive.

B. As the Company's half yearly results are published in English newspapers circulated all over India and in a Gujarati newspaper (circulated in Gujarat) and also posted on the website of the Company www.upl-ltd.com and disseminated to stock exchanges, the same are not sent to the households of the shareholders of the Company.

C. The Company is in the regime of unmodified opinions on financial statements.

D. The Internal Auditor of the Company functionally report directly to the Audit Committee.

On behalf of the Board of Directors

Rajnikant Shroff
(Chairman and Managing Director)
(DIN: 00180810)

Mumbai
May 22, 2020

Declaration

As provided under Clause D of Schedule V pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management laid down by the Company for the year ended March 31, 2020.

On behalf of the Board of Directors

Rajnikant Shroff
(Chairman and Managing Director)
(DIN: 00180810)

Mumbai
May 22, 2020

Certificate by Managing Director and Chief Financial Officer

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
UPL Limited

We, Rajnikant Shroff, Managing Director and Anand Vora, Chief Financial Officer of UPL Limited, to the best of our knowledge and belief, certify that:

a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2020 and to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have not come across deficiencies in the design or operation of such internal controls.

d) We have indicated to the Auditors and the Audit Committee:

   i. That there are no significant changes in internal control over financial reporting during the year;

   ii. That there are no significant changes in accounting policies during the year and

   iii. That there are no instances of significant fraud of which we have become aware.

This certificate is being given to the Board pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Rajnikant Shroff
Chairman and Managing Director

Anand Vora
Chief Financial Officer

Mumbai
May 22, 2020

Auditor's certificate on Corporate Governance

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of
UPL Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated April 27, 2020.

2. This report contains details of compliance of conditions of corporate governance by UPL Limited ('the Company') for the year ended March 31, 2020 as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as the 'Stock exchanges').

MANAGEMENT'S RESPONSIBILITY FOR COMPLIANCE WITH THE CONDITIONS OF LISTING REGULATIONS

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

AUDITOR'S RESPONSIBILITY

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

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2020.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

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

9. We 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.

RESTRICTION ON USE

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABI8849

Mumbai
May 22, 2020

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
UPL Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UPL Limited having CIN: L24219GJ1985PLC025132 and having registered office at 3-11, G.I.D.C., Vapi, Distt. Valsad-396195 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause l0(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Rajnikant Devidas Shroff	00180810	01/10/1992
2.	Sandra Rajnikant Shroff	00189012	01/10/1992
3.	Hardeep Singh (Re-appointed as Independent Director w.e.f 02/02/2020)	00088096	02/02/2015
4.	Pradeep Vedprakash Goyal	00008370	22/08/2014
5.	Vinod Rajindranath Sethi (Cessation w.e.f 03/09/2019)	00106598	30/01/2006
6.	Jaidev Rajnikant Shroff	00191050	01/10/1992
7.	Vikram Rajnikant Shroff	00191472	22/04/2006
8.	Arun Chandrasen Ashar	00192088	01/03/1993
9.	Reena Ramachandran	00212371	22/08/2014
10.	Vasant Prakash Gandhi	00863653	23/11/2015
11.	Usha Mohan Rao Monari (Appointed as Independent Director w.e.f 27/12/2019)	08652684	27/12/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Mumbai
May 22, 2020

For N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
UDIN:F001176B000271336

NL Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Business Responsibility Report

For the financial year 2019-2020

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	: L24219GJ1985PLC025132
2.	Name of the Company	: UPL LIMITED
3.	Registered Address	: 3-11, GIDC, VAPI, DIST VALSAD, GUJARAT
4.	Website	: www.upl-ltd.com
5.	E-mail ID	: upl.investors@upl-ltd.com
6.	Financial year reported	: April 2019 to March 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise	: 2021 - Agrochemicals
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	: a) Industrial Chemicals b) Agrochemicals c) Hybrid Seeds
9.	Total Number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	: The Company and its subsidiaries are registered in total 71 countries.
	(b) Number of National Locations	: Business activity is undertaken through UPL and its 12 subsidiaries, 19 plants and 33 depots in India.
10.	Markets served by the Company – Local/ State/ National/ International	: Global market with presence in 138+ countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹)	: 1,52,80,90,912
2.	Total Turnover (₹)	: 96,407,345,393
3.	Total Profit after taxes (₹)	: 4,612,676,604
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	: 3.54%
5.	List of activities in which expenditure in 4 above has been incurred:	: a) Institutions for Nation Buildings b) Sustainable Livelihoods c) Nature Conservation d) Local and National Needs

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/Companies?**
   Yes, the Company has subsidiaries.

   [Please refer to AOC 1 – Annexure to the Board's Report for the complete list of subsidiaries]

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
   No, the subsidiary companies conduct BR initiatives independently.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]**
   Yes. All the Supplier/ Vendors which cater to the needs of UPL in terms of goods and services as well as our affiliates globally come under the purview of our Supplier Code of Conduct. These entity include our supplier, contractors, contract manufacturers and joint venture partners who share a contractual and / or commercial relationship with us. The policy specifies the expectations from our value chain partners.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.	DIN Number	: 00180810
2.	Name:	: Mr. Rajnikant Devidas Shroff
3.	Designation	: Chairman & Managing Director

(b) Details of the BR head

1.	DIN Number (if applicable)	: 00180810
2.	Name	: Mr. Rajnikant Devidas Shroff
3.	Designation	: Chairman & Managing Director
4.	Telephone number	: 2271528000
5.	E-mail id	: shroffrd@upl-ltd.com

2. Principle-wise compliance (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, all the policies have been developed in consultation with the Management of the Company.								
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are formulated as per principles of National Voluntary Guidelines (NVG)								
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are approved by the Board and signed by the heads of the respective department responsible for the implementation of the policies.								
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are available in Investors section at https://www.upl-ltd.com/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer against any principle, is 'No', please explain why: Not Applicable

3. GOVERNANCE RELATED TO BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually

(b) Does the Company publish the BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes a BR Report as part of the Annual Report and also publishes the Sustainability Report on its website annually.

Link for Sustainability Report - https://www.upl-ltd.com/downloads/UPL_Sustainability_Report_2018-19.pdf

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

UPL has constantly strived to conduct its business fairly, ethically and with integrity. In this regard, the Company has put in place a Global Code of Conduct which sets out expectations for all those who work and interact with the Company: Employees, customers and suppliers, communities and environment, governments, shareholders. Employees at UPL are expected to uphold the highest standard of work ethics while conducting business. For additional guidance, UPL also has an Anti-Bribery and Corruption Policy.

To report any violations, the Company has engaged Deloitte managed reporting channel called Tip-Offs Anonymous. Complaints globally can be:

(i) by e-mail – UPL@tip-offs.com,

(ii) customised website – www.tip-offs.com/UPL

(iii) hotline number (List of region specific hotline numbers can be found on pg.43 of https://www.upl-ltd.com/downloads/policies/compliances/Code_of_Conduct.pdf)

In addition, as an extension of the Global Code of Conduct, the Company has formulated the Whistle Blower policy wherein the stakeholders can report critical non-compliances of financial nature or serious integrity violations at the senior management level, directly to the Audit Committee.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

For investors grievances please refer to Corporate Governance Report

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

UPL understands impacts of its business on environment & society and takes responsibility to develop its products, favoring betterment of environment and society. In every action of the Company, the farmer is at the beginning and in the center of our activities. UPL invests in cost efficient products for our beneficiaries. Our products are energy efficient & consumes lower resources during utilisation resulting in creating positive environmental footprint. Following are the three key products and service whose design address social and environmental concerns:

A. Pronutiva:

ProNutiva® is an exclusive program that integrates natural biosolutions (bioprotection, biostimulants and bionutrition) with conventional crop protection products to meet or exceed the real-world needs of today's growers.

ProNutiva program is intended to cover plant's needs throughout the season or at a specific development stage of the crop. Application includes separate or combined applications of BioSolutions and crop protection products via seed treatment, in-furrow, fertigation or foliar spray.

This program offers new solution to pest resistance and yield higher with better quality.

B. Zeba:

It is a patented, starch-based, superabsorbent soil enhancement designed to keep a constant supply of moisture available to germinating seed, seedlings, and plants throughout the growing season.

Benefits of Zeba:

- Reduces stress caused by heat and lack of moisture during hot and dry periods.
- Reduces nutrient leaching.
- Promotes greater plant root and biomass development
- More consistent plant size and crop quality across fields
- It is starch based molecule therefor it disintegrates into soil without left any residue

C. Farmer engagement initiatives:

The field of agriculture is continuously changing. Staying abreast with the latest advancements is a challenge especially for the far flung or marginal farmers. UPL addresses this challenge through its mentioned initiatives by working on a local level continuously and ensuring that the latest in farming practices is easily accessible to them at appropriate times.

- **Adarsh Farm Services:** Adarsh Farm Services offers high-tech tractor-mounted spray equipment that results in time and cost savings for farmers on one hand and minimises crop damage on the other.
- **Adarsh Kisan Centre:** Adarsh Kisan Centre, a remote advisory contact center for farmers in India. Present in three locations viz., Mumbai, Chandigarh and Vizag, the call centers are manned by experts conversant in all major Indian regional languages. This unique helpline resolves crop-related farmer queries/concerns/issues of farmers from all over the country.
- **UPL Centre for Agriculture Excellence (CAE), Nahuli:** It is UPL 's venture to provide free training of modern scientific agriculture practices along with accommodation to farmers or agriculture students from across India or overseas.

2. **For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

(i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

The Company is actively working on its products to reduce overall impacts through incorporation of advance and effective technologies, few of the achievements are mentioned below.

1. In reporting year, we have recycled more than 10% of water by various water recycling system like Reverse Osmosis (RO), Rain water Harvesting, scaleban, steam condensate recovery and STP treated effluent recycling.
2. This year we consumed total 12% electricity from renewable sources like wind and solar in our Indian manufacturing sites
3. Utilised total 10,000 KL harvested rain water during rainy season at Unit-0 Vapi, Unit-1&2 Ankleshwar and Unit-4 Halol plant

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company is committed to reduce its environmental and social footprints through its activities. We thoughtfully design our products keeping our customers in mind and their requirements. We train farmers through our CSR activities on modern agricultural techniques which helps them to reduce their overall water consumption and chemical consumption.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

Yes, the Company has a sustainable procurement policy in place which is a guidance to our internal team and for suppliers/vendors before onboarding them. Our internal team performs audits and our suppliers/vendors also sign a declaration on "commitment to sustainability" which is the agreement from their side to maintain the laws and standards set by the Company.

The Company is also working with its Corporate Environment & Sustainability team to design sustainable practices, particularly for its supply chain. These practices primarily focus on improvements in process to improve energy efficiency, waste management, water management, and compliances regarding sustainability.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, At UPL, we give preference to local suppliers wherever possible to respond promptly to the requirements, thereby simultaneously strengthening local economy. We connect with local suppliers and vendors located nearby our plants to procure most of our packaging materials, this includes materials as Plastic bottles, Corrugated boxes, Fiber drums, Flexible laminates, HDPE Woven bags, etc.

UPL also procures raw materials locally such as $MnSO_4$, Salt, Caustic soda, Chlorine, Hydrated Lime, $ZnSO_4$, 3-4 DCA, Specialised Starch, China clay, Magnesium turning, Ethanol, Sulphur, Ammonia, Chloral, Acids etc.

5. **Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

Yes, UPL has mechanisms in place to recycle its waste, more than 60% of our plants are "Zero Liquid Discharge". We recycled certain waste and by-products up to 100% by converting them into value added products, which includes Ammonium chloride, Ammonium acetate, Methyl chloride, sodium sulfate, ammonium sulphate, calcium chloride, hydrochloric acid, HNO3, etc. Product and solvent recoveries are above 95 %, however some products are recovered 100%. Other waste is treated as per required process and disposed safely.

Principle 3: Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees-**
   Total number of employees as on March 31, 2020 is 4,957.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis –**
   Total number of employees hired on temporary/ contractual/casual basis as on March 31, 2020 is 8,804.

3. **Please indicate the number of permanent women employees –**
   Total number of permanent women employees as on March 31, 2020 is 170.

4. **Please indicate the number of permanent employees with disability**
   Total number of permanent employees with disability as on March 31, 2020 is 22.

5. **Do you have an employee association that is recognised by management?**
   The Company does not have any recognised employee association.

6. **What percentage of your permanent employees are a member of this recognised employee association?**
   Not Applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**
   The Company has a policy on sexual harassment in line with the Government norms. UPL has e-learning program for awareness of the policy and was mandated for employees. An acknowledgement to abide by Sexual harassment policy is taken from all the employees. The Company has a corporate level committee to monitor the implementation of this policy with a presiding officer along with a unit level committee at all manufacturing units. This committee consist of male and female members both.

   We also have a Child Labor Policy which is strictly followed, and it is applicable to all contract and permanent workforce.

Category	No. of complaints during financial year	No. of complaints pending at the end of the financial year
Child Labour/Forced Labour/Involuntary Labour	Nil	Nil
Sexual Harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
   UPL takes safety of its employees very seriously and has taken up programmes to train our workforce on how to main occupation health and safety.

   Safety – 14 PSM elements are the basis for Safety Processes. Trainings are provided accordingly to the workforce. Our internal team has developed few rituals on safety which is followed with full respect.

   - Daily Safety Talk: Daily briefing on safety before start of the shift.
   - Monthly we cover one safety theme by the unit safety representative.

   The Company also invests in trainings to upgrade the skills of our employees based on requirements and demand. A Calendar based training program is published for both behavior and functional development of the employees. Based on the availability and nominations the employees are provided with the trainings and certifications. No employee in manufacturing functions can take charge of respective activities unless they have undergone Level 0, 1 & 2 training minimum duration for which is 23 days. This training basically is intended for safety and functional expertise including safety in operating related functions.

   Company has several other training programmes which essentially addresses the areas of safety on various activities like construction safety, Chemical safety, emergency response, Process Safety Management, electrical safety etc. UPL does not differentiate between company employees or contractual employees.

   UPL has a defined Health and Safety policy which is available on the Intranet and accessible to all employees.

Category	Total Hours of Training		Hours of Training for Employees at Management level		Hours of Training for Employees at Non-Management level		Temporary Employees		Contractual Employees		Permanent Employees with Disabilities	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
a) Safety	77413	1725	5608	172	52112	464	12578	983	7115	106	-	-
b) Skill Upgradation	17746	108	1858	27	15888	81	-	-	-	-	-	-
c) Others	33932	322	4172	94	29760	228	-	-	-	-	-	-

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalised.

1. **Has the company mapped its internal and external stakeholders? Yes/No**
   Yes, UPL has identified and mapped all its stakeholders

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?**
   Yes , UPL has identified its disadvantaged, vulnerable & marginalised stakeholders.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**
   Yes, the Company has taken initiatives to engage with its disadvantaged, vulnerable and marginalised stakeholders through its Corporate Social Responsibility projects. The initiatives are planned and focused to generate livelihoods in a sustainable way for the targeted groups of Small farmers, Unemployed youth and Poor women.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**
   Yes, the human rights policy is applicable to the contractors associated with UPL limited.

   UPL has policies on Human Rights which are very robust and stringently followed by our stakeholders.

   These policies are for the protection of dignity and self-respect of our stakeholders and focus on to provide a harassment free work culture. The Company has adopted a fair culture and encourages its stakeholders to utilise our grievance redressal mechanisms which is accessible to all. This helps us to resolve the grievances with top scrutiny and urgency.

   The Company eludes all kind of discrimination based on the gender, caste, creed, religion, disability, marital status, pregnancy, culture, ancestry, socioeconomic status etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   As part of our policy, we have ethics committee, chaired by the principal ethics Counsellor with sub committees at every plant to redress any violation pertaining to human rights. No complaint received during the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others.**
   Yes, the company's Environmental Policy and Global Code of conduct focused on reduce adverse environmental impacts of our operations, manage environmental risks and pursue sustainability initiatives such as reducing waste and promoting recycling. Both Policies are applicable to our group employees, contractors. While our Sustainable Procurement Policy help us to make our supply chain sustainable by align our suppliers.

   UPL is a Responsible Care company. We voluntarily adopted the codes and practice of Responsible Care (RC) initiative accepted by Indian Chemical Council (ICC).

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**
   Yes, At UPL we have committed to reduce 30% environment footprint by 2025 from baseline FY2020. To know more details please prefer our Annual Sustainability report on our website

3. **Does the company identify and assess potential environmental risks? Y/N**
   Yes, we have been identifying risks and working on mitigate them. Majority of our manufacturing facility certified with Environment Management Systems (EMS) - ISO 14001-2015. On half yearly basis,

we conduct Environment Team meeting with top management of plants to understand their concern on EMS issues in operation.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
   We currently do not have any projects related to Clean Development Mechanism

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**
   Yes, the Company has taken various initiatives to make its processes clean and energy efficient, details are as mentioned below. To know more about this initiative kindly prefer our Annual Sustainability Report on our website.

   1. Water Management
      - Achieve more than 60% ZLD system in manufacturing Unit
      - Recycling of treated effluent/sewage through scaleban STP & RO.
      - Implemented scaleban technology to reduce fresh water consumption in cooling towers
      - Implemented full-fledged rain water harvesting system at Unit-0,1,2,4.
   2. Waste Management
      - Convert waste and By-products into value added products like NaSH, Sodium Sulphate, HNO_3,HCL,$Mn(OH)_2$, Di-Calcium Phosphate
      - Implemented Volute press for sludge dewatering at various sites
      - Recovery of product and solvents from waste stream
      - Sending incinerable waste to cement industries for co-processing
      - Recycle of drums and containers after decontamination
   3. Energy and Climate Change Management
      - Signed and executed purchase of total 17 MW renewable power from wind and solar on PPA model
      - Recycle of steam condensate at all major sites
      - Use of energy efficient LED lighting system across UPL sites
      - Power generation from back pressure turbine at Unit-2 and Unit-5
      - Installed Waste heat recovery system at CS2 plant at Unit-5
      - Constructed Canteen and Meeting building as per green building concept and rated platinum by The Indian Green Building Council (IGBC) at Unit-5 Jhagadia
   4. Clean and innovative technology adopted for manufacturing
      - Membrane cell Technology for caustic chlorine manufacturing
      - CS2 manufacturing using natural gas
      - Manufacturing of Zeba which is start based water absorbing polymer
      - Gradually shifting away from solvent based formulations to water-based formulations
      - Installed Forward Osmosis (FO) technology for effluent (1st time in agrochemical sector)

6. **Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
   Yes. All manufacturing plants comply with the prescribed permissible limits for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal as per given by CPCB/SPCB

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
   As on March 31, 2020, there is no pending show cause or legal notice received from CPCB or SPCB

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
   Yes, the Company is member of various trade associations and chambers which helps UPL to identify and understand the common concerns of the business and its impacts on the communities. UPL is currently a part of the following associations:

   I. Vapi Industrial Association
   II. Indian Merchant Chambers
   III. Crop Care Federation of India
   IV. Asmechem
   V. Centigro Environment of Agriculture
   VI. CII

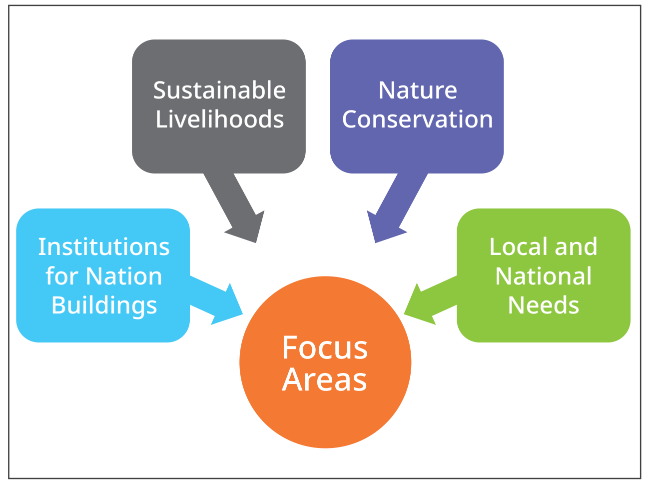
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
   Yes, the Company lobbies with industry association and also with Government bodies to resolve the issues related to chemical and pesticide industry. UPL gets actively involved at industry forums and with Ministry through meetings and dialogues providing valuable suggestions favoring business and public good.

   Company has lobbied or advocated through public associations on the below topics:

   I. Problems of Chemical Industries in Gujarat and India
   II. Customs and Excise laws effecting faster industrial development
   III. Environment and pollution matters
   IV. Agriculture and Agro Chemical inputs
   V. Fight against foreign funded NGO's
   VI. Promoting and educating public about advantage of scientific agriculture and use of agro chemicals
   VII. Other matters connected with government policy "Make in India"
   VIII. Removal of hurdles and exports

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**



UPL Philosophy always believes in all-inclusive and sustainable growth of society. The core of the UPL philosophy always have been the guiding force in all our community interventions. Not only, all our Social Responsibility (CSR) programs are determined with the trust that humankind is one community, where each member is responsible for the wellbeing of the other, but also our core businesses are all about connecting with people, in a human way -showing respect, demonstrating trust, celebrating diversity, favoring warmth over cool. We see the value in human connectivity and how it creates new opportunities for everyone. At Present, two core values that become the guiding force to drive the community transformation programme are "Always Human" & "Open Hearts" Hence our interventions are not restricted to the development of our neighboring communities only. We work on programs that cater to the wider national interest, our CSR efforts are focused in Gujarat and they have also touched lives in many other states including Maharashtra, West Bengal, Kashmir, Bihar, Tamil Nadu and Himachal Pradesh.

Our commitment and interventions cater all the segment of the society and have been classified in 4 focus areas, they are:

- Institutions for Nation Buildings
- Sustainable Livelihoods
- Nature Conservation
- Local and National Needs

For more detail's login to https://www.upl-ltd.com/csr

2. **Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organisation?**
   Yes, the Company has a dedicated in-house experienced CSR team/UPL promoted foundation to make the blueprint and execute the CSR programmes. UPL also engages with third parties, Government organisations, NGO's and CBO's to perform specific programmes based on community needs and requirements.

3. **Have you done any impact assessment of your initiative?**
   Yes, the company conducts third-party impact assessment for all the CSR initiatives to measure the long-term impact of the interventions in a period of three years. Lately, the company has conducted the study in 2016 where the results were very encouraging both at the macro and micro level. Few highlights of the assessment are pointed as below:

   A. Impact on Financial wellbeing of neighboring community:

      (i) Under skill development initiatives, an average monthly income of youth in the region increased from ₹4,750 to ₹7,750 after getting trained from the center and getting gainfully employed. which is an increment of 63%.

      (ii) Under women empowerment program, the study found that an average monthly income of an SHG member is ₹3,155 as compared to a non SHG members ₹1,500, where both were engaging in income generation activity.

(iii) Under skill based entrepreneurial development program, an average monthly income increased from ₹1,240 to ₹2,060 after getting trained, which is an increment of 66%.

(iv) 18% increase in land productivity there by improving the profitability from paddy farming. Profits per acre from paddy increased from ₹ 1,472 to ₹3,199 after SRI application.

(v) Under the initiative of Kitchen Garden development, weekly expense on green vegetables reduced from ₹146 to ₹99 after the interventions.

(vi) The average monthly income of a nursing graduate of Sandra Shroff ROFEL College of Nursing, Vapi is ₹ 23,200 as compared to that of a simple graduate who gainfully employed ₹ 14,333.

B. Impact on Socio Cultural Environment

(i) Women members experience enhances self-reliance, self-expression and advocacy, 100% of the women have advocated the program to others and have successfully enrolled more women in to SHGs. All the SHGs have experienced an increase in decision making powers in social and economic domains.

(ii) 67% students feel more empowered to take decisions, while 44% felt their social status has improved after graduating from SRICT.

C. Impact on Human Resource Development

(i) 69% of the youth experienced improvement in knowledge and skills at the skill development institute.

(ii) 100% respondent children know the important of wearing footwear, washing hands, using dustbins and brushing teeth under School Sanitation program.

(iii) 56% members improved their skills, 31% improved their knowledge and 13% experienced enhanced confidence in Valsad under women empowerment initiatives.

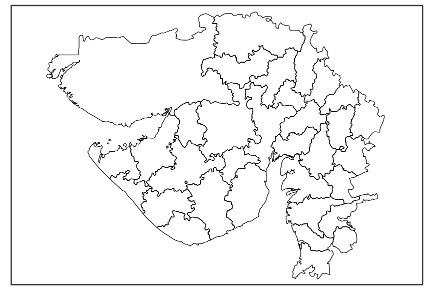
Additionally, the in-house team conducts need assessment survey before execution of the programmes/projects and performs regular internal monitoring to validate the initiative in between.

4. What is your company's direct contribution to community development projects Amount in ₹ and the details of the projects undertaken.

Direct contribution to community development projects is ₹ 16.00 crore which is 3.54 % of profit after tax.

Our CSR footprint in India

Efforts and impacts at a glace

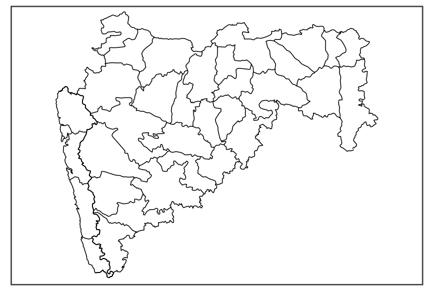


1. Gujarat
   - Vapi Cluster
   - Dang Cluster
   - Ankleshwar Cluster (Bharuch)
   - Jhagadia Cluster (Bharuch)
   - Dahej Cluster (Bharuch)
   - Vandri Cluster (Narmada)
   - Halol Cluster (Panchmahal)

Sustainable livelihoods - through agriculture interventions

Agriculture development @ Dang
6 years
37 villages
20 farmer groups
1,500 farmers

Agriculture development @ Vapi
3 years
10 villages
10 farmer groups
375 farmers



2. Maharashtra
   - Mumbai Cluster
   - Parli in Marathwada (Maharashtra)
   - Yavatmal in Vidarbha (Maharashtra)

Agriculturedevelopment@Jhagadia
5 years
13 villages
18 farmer groups
260 farmers

Livelihood enhancement of Tribal (Waghai & Shamghan block)
3 years
720 Farmers
2 FPC (On Process)

3. Other parts of country
   - Samba in Jammu.
   - Haldia in West Bengal.
   - Kullu in Himachal Pradesh.
   - Motihari in Bihar

Agriculture development @ Ankleshwar
5 years
14 villages
23 farmer groups
338 farmers

Bori Bagicha/kitchen garden
5 years
58 villages
2,526 farmers

Animal husbandry: Breed Improvement @ Ankleshwar and Jhagadia
4 years
21 villages
272 households
2,817 artificial insemination done

Adarsh Krishi Niyojaniy (Adarsh Mitra Training)
1 Year
9 states
3,000 operators trained

Establishment of micro-enterprise
4 years
4 micro-enterprises formed and Strengthened
79 members skilleda

Animal Husbandry: UPL Goat- Rearing Project @ Dharampur (Valsad)
4 Years
112 Families
230 Goats with 100% Insurance

UPL Agriculture Development @ Vandri
4 Years
5 Villages
466 Farmers

Skill based entrepreneurship development
6 years
1,320 participants skilled
Agripreneurship among women

Agriculture Market Linkage FreshVeg2U
2 years
4 Villages
28 Farmers
₹ 24,84,000.00: Gross Turn-Over

Sustainable livelihood through skill development of youth and women

Skill Development and Entrepreneurship (Women)
6 years
120 SHGs formed and strengthened
42 villages
1,524 women members
3 Federations & 1 Saving Credit Cooperative Society

Skill development (youth)
6 years
1,708 youth trained
1,034 placed in industries

Saving Credit Cooperative Society @ Valsad
1 Year
700 SHGs Member

Sarus Conservation, Kheda
5 Years
36 Villages
88 RSPGs (Rural Sarus Protection Groups)
16,782 Students & 3784 Villagers
772 Sarus Officially Documented in Kheda

Green Ganesha workshop
5 years
123 schools
13,277 students participated

Environment and Nature Conservation (UPL VASUDHA)
Eco clubs
5 years
106 Eco clubs
4,323 members
13,819 Students

Deer & Ungulate Breeding Project, Vansda
2 Years
28 Spotted Deer
10 Four-horned Antelope
12 Spotted Deer released to wild forest

Projects of Local and National Interests
United Against Child Labour (UACL)
2 years
6 states
More than 3,500 growers made aware

Water conservation
2 year
2 Check dams
8 group wells constructed
5 ponds deepened & 1 New Pond
2 Bore Well Recharge Structure
5,8792 Cubic Meter Water Conserved

Social forestry
4 years
1,06,279 saplings planted
2,00,000 Mangroves planted

Unnati (Building capacity of CBOs)
4 years
12 Community Based Organisations empowered

My Super Ward
2 Years
1,800+ installations
More than 2,200 people made aware

Vandri cluster development
4 years
5 villages
466 farmer families benefitted

Support to Seva Yagna Samiti, Bharuch for Neonatal Care
3 Years
309 new-born treated

School sanitation
5 years
46 sanitation blocks constructed (7 in progress)
12,000 students regularly using the facility
1,500 commuters/day are using the facility

Global Parli
4 years
106 villages positively impacted

Institutions for Nation Building:

UPL Center for Agriculture Excellence
20 years
More than 16,000 farmers trained

Safety trainings
6 years
More than 41,000 participants trained

Project "Asptal" – Mobile Medical Service at Hamirpur, Himachal Pradesh
2 Years
1 Medical Unit
5 Districts
199 Camps & 1.90 lakh OPDs

Employee Engagement Program of UPL (We are United)

FY	No. of volunteers	Volunteer Hours	Man-days devoted for Community Development Program
2015	102	2,727	341
2016	152	3,871	484
2017	123	3,866	483
2018	125	3,023	378
2019	147	4,863	608
2020	219	6,066	758
Total	**868**	**24,416**	**2294**

Sandra Shroff Gnyan Dham School, G.I.D.C, Vapi
48 years
1,600 students/year

Sandra Shroff ROFEL College of Nursing, Vapi
16 years
55 students/year

Gnyan Dham Eklavya Model Residential School, Ahwa
8 years
350 students/year

Shroff S Rotary Institute of Chemical Technology (SRICT), Vataria, Ankleshwar
7 years
330 students/year

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
Our approaches of CSR initiatives emphasis on community participation in all stages of the project cycle. All our interventions focus on the needs, strengths and growth of the community. The below diagram explains the approaches, we adopt to execute any interventions.

Figure: 1. Left above-Net Planning with community, 2. Right above- Transect walk –PRA,
3 & 4: Below Left & Right: Technical Survey and physical verification at ground (at Vandri)

Multiple interventions have been designed and implemented in Dang district to provide sustainable livelihood through improved agricultural practices, where all the interventions were planned and implemented with the support of farmers groups at the village level.

In Vandri Cluster development program, each activity was implemented through community from planning to final execution. It was ensured that the communities were involved in planning, procuring, implementing and ensuring quality of work implementation. Apart from their participation, they also contributed financially/through labour for individual work (25%) and community work (10%). The whole project owned by the community at Vandri.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

   AT UPL we have automated the complaint tracking and response process. Front line sales teams enter customer complaints into the SFDC interface. The ERP system tracks the complaints ensuring mails are shot out to the respondent identified for the specific complaint type. The complaint is auto-escalated if the same is not addressed within a defined time-frame.

   An analysis of the complaints received indicate that all complaints have been closed.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

   As a responsible corporate citizen, UPL ensures that our customers have the chance to access as much information about the products as possible. Our product labels display all information that is essential to ensure safe and efficacious use of our products. Product labels conform to CIB regulations and legal metrology guidelines.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No such cases were filed against the company.

4. **Did your company carry out any consumer survey/consumer satisfaction trends?**

   Customers are at the heart of any UPL initiative and we believe in understanding how the customer, whether it is the farmer or the channel partner, feels about what we are offering and what we should be working to provide.

   Both inhouse surveys as well as third party surveys through market research agencies were carried out. Internal surveys focussed mainly on dealer and farmer satisfaction and insights on need gaps.

   An inhouse Survey with customers was carried out as a part of the manufacturing excellence by the factory team in Punjab, Haryana, Gujarat, Maharashtra to understand satisfaction with UPL products and services in terms of quality of packaging, delivery and product efficacy. The survey revealed high levels of satisfaction. Some shortcomings that were identified were acted upon systematically in a phase wise manner. A few visits planned to the customers in Telangana and Gujarat towards the end of Q4 could not be undertaken due to the covid 19 related lockdown.

   Inhouse customer surveys are also done by UPL Adarsha Kisan Center on regular basis with Farmer and Dealer to understand satisfaction levels and concerns if any.

   The Company has its call centers at various locations in India like Mumbai, Visakhapatnam and Chandigarh under the brand of "Adarsh Kisan Center"(AKC). Our customers can connect with us through a toll-free number provided on all product packaging, they can lodge a complaint against any of our products or services as well. All the queries and complaints from customers are taken on priority and resolved. In case if a customer requires further assistance, the case is escalated to the field executive team of UPL, a person from our field team visits the location and resolves the issue personally. We use our call centers to take feedback from registered farmers at AKC, this scope of survey is broad which includes product availability, usage and market access of harvest.

   External Surveys through Market Research agencies were done with farmers to understand insights on product usage, need gaps, and farmer satisfaction. Quality, ease of use, value for money when compared to competing brands were also measured.

Statement of AOC 1 Form

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

PART A SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

Amount in crore (₹)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate (Closing Rate)	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding investments made in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Shroffs United Chemicals Limited		INR	1.00	0	0	0	0	-	0	0	(0)	0	-	100%
2	SWAL Corporation Limited		INR	1.00	1	121	492	370	0	710	20	(7)	13	-	100%
3	United Phosphorus (India) LLP		INR	1.00	2	68	1,101	1,031	-	1,509	50	(16)	34	-	10
4	United Phosphorus Global LLP		INR	1.00	0	0	0	0	-	-	(0)	0	(0)	-	100%
5	Optima Farm Solutions Limited		INR	1.00	1.55	54	63	7	-	156	22	(5)	16	-	100%
6	UPL Europe Limited		EUR	82.88	4,640	953	23,633	18,040	-	1,046	67	(60)	7	-	78%
7	United Phosphorus Polska Sp.z o.o - Poland		PLN	18.23	0	(0)	0	0	-	-	(0)	-	(0)	-	78%
8	UPL Benelux B.V.		EUR	82.88	0	162	507	345	-	302	49	(12)	37	-	78%
9	Cerexagri B.V.		EUR	82.88	187	290	973	496	-	832	36	(9)	27	-	78%
10	United Phosphorus Holdings Cooperatief U.A.		EUR	82.88	7,597	(2,938)	12,209	7,551	-	3	(196)	10	(186)	-	78%
11	United Phosphorus Holdings B.V.		EUR	82.88	0	4,867	6,883	2,030	15.02	3	0	(7)	(7)	-	78%
12	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.		EUR	82.88	31	(1)	31	1	-	2	(0)	-	(0)	-	78%
13	Decco Worldwide Post-Harvest Holdings B.V.		EUR	82.88	0	34	197	163	-	2	(6)	-	(6)	-	78%
14	United Phosphorus Holding, Brazil B.V.		EUR	82.88	0	3,093	3,281	339	150.68	3	(16)	4	(12)	-	78%
15	UPL Italia S.R.L.		EUR	82.88	2	137	714	575	0	602	(8)	1	(7)	-	78%
16	UPL Iberia, S.A.		EUR	82.88	2	100	236	134	0	481	61	(15)	46	-	78%
17	Decco Iberica Postcosecha, S.A.U.		EUR	82.88	1	123	148	23	0.27	136	20	(5)	15	-	78%
18	Transterra Invest, S. L. U.		EUR	82.88	352	(160)	879	687	-	7	5	(1)	3	-	78%
19	Cerexagri S.A.S.		EUR	82.88	110	272	612	230	-	523	26	(1)	26	-	78%
20	Neo-Fog S.A.		EUR	82.88	2	30	35	2	-	9	2	(2)	0	-	78%
21	UPL France		EUR	82.88	29	92	899	777	-	811	34	(2)	32	-	78%
22	United Phosphorus Switzerland Limited		USD	75.67	0	5,315	5,316	0	-	-	0	(0)	0	-	78%
23	Agrodan, ApS		DKK	11.10	3	0	3	0	-	-	(0)	(0)	(0)	-	78%
24	Decco Italia SRL		EUR	82.88	9	46	83	28	-	49	5	(2)	3	-	78%
25	Limited Liability Company "UPL"		RUB	0.96	17	(14)	172	169	-	65	(9)	1	(8)	-	78%
26	Decco Portugal Post Harvest LDA		EUR	82.88	0	(0)	0	0	-	1	0	(0)	0	-	78%
27	UPL NA Inc. (formerly known as United Phosphorus Inc.)		USD	75.67	7,322	(4,972)	9,952	7,608	6	6,129	491	(15)	476	-	78%
28	UPI Finance LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
29	Cerexagri, Inc. (PA)		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
30	UPL Delaware, Inc.		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
31	Canegrass LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	54%
32	Decco US Post-Harvest Inc		USD	75.67	0	(172)	331	503	-	309	(293)	71	(222)	-	78%
33	Essentiv LCC		USD	75.67	-	-	-	-	-	-	-	-	-	-	39%
34	RiceCo LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
35	Riceco International, Inc.		USD	75.67	0	312	331	19	-	88	21	-	21	-	78%
36	UPL Corporation Limited		USD	75.67	137	15,081	47,350	32,170	37.83	2,536	402	(11)	390	-	78%
37	UPL Management DMCC		USD	75.67	2	147	488	338	-	958	(25)	-	(25)	-	78%
38	UPL Limited		USD	75.67	0	3,554	4,449	894	-	3,836	334	-	334	-	78%
39	UPL Agro S.A. de C.V.		MXN	3.15	47	(69)	1,048	1,070	-	1,189	(24)	(8)	(32)	-	78%
40	Decco PostHarvest Mexico (Formerly Known as Decco Jifkins Mexico Sapi)		MXN	3.15	0	(11)	15	26	-	10	(0)	-	(0)	-	78%
41	Perrey Participações S.A		BRL	14.55	-	-	-	-	-	-	-	-	-	-	78%
42	Uniphos Industria e Comercio de Produtos Quimicos Ltda.		BRL	14.55	1,565	(1,002)	569	6	-	-	(368)	1	(367)	-	78%
43	UPL Costa Rica S.A.		CRC	0.13	0	(3)	349	351	-	526	19	(7)	12	-	78%
44	UPL Bolivia S.R.L		BOB	10.97	5	(33)	166	194	-	101	(20)	-	(20)	-	78%
45	UPL Paraguay S.A.		USD	75.67	5	22	247	220	-	208	37	(3)	34	-	78%
46	Icona Sanluis S.A.		USD	75.67	3	(3)	0	0	-	-	26	-	26	-	78%
47	UPL Argentina S A		USD	75.67	738	(804)	528	594	-	306	169	-	169	-	78%
48	Decco Chile SpA		CLP	0.09	0	20	45	25	-	38	6	(2)	4	-	78%
49	UPL Colombia SAS		COP	18.62	1	34	293	259	-	448	26	(8)	17	-	78%
50	United Phosphorus Cayman Limited		USD	75.67	-	107	801	694	-	731	47	(1)	46	-	78%
51	UP Aviation Limited		USD	75.67	0	15	27	12	-	56	2	-	2	-	78%
52	UPL Australia Limited		AUD	46.15	105	34	539	400	-	302	(10)	4	(6)	-	78%
53	UPL New Zealand Limited		NZD	44.96	0	4	4	0	-	4	1	(0)	0	-	78%
54	UPL Shanghai Limited		RMB	10.66	-	-	-	-	-	-	-	-	-	-	78%
55	UPL Jiangsu Limited		RMB	10.66	-	-	-	-	-	-	-	-	-	-	54%
56	UPL Limited (Korea)		KRW	0.06	0	3	20	17	-	20	2	(0)	2	-	78%
57	PT.UPL Indonesia		IDR	4.62	0	(4)	85	89	-	71	(5)	-	(5)	-	78%
58	PT Catur Agrodaya Mandiri		IDR	4.62	1	(6)	77	82	-	73	7	(2)	5	-	78%
59	UPL Limited,Hong Kong(Formerly Known as United Phosphorus Limited, Hongkong)		USD	75.67	0	296	994	698	-	880	17	-	17	-	78%

Amount in crore (₹)

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60	UPL Philippines Inc.		PHP	1.48	4	10	124	110	-	151	9	(3)	7	-	78%
61	UPL Vietnam Co. Limited		VND	3.20	5	128	318	186	-	285	18	(4)	14	-	78%
62	UPL Limited, Japan		JPY	69.68	6	4,286	11,220	6,972	45.00	344	(201)	(0)	(201)	-	78%
63	Anning Decco Fine Chemical Co. Limited		RMB	10.66	9	26	39	4	-	34	4	(1)	3	-	43%
64	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi		TRY	11.50	111	(88)	437	414	-	297	(45)	(5)	(50)	-	78%
65	UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve Ticaret A.S.		TRY	11.50	10	(31)	27	48	-	15	(6)	(3)	(9)	-	78%
66	Safepack Products Limited		ILS	21.23	-	21	75	55	-	32	(10)	(3)	(12)	-	78%
67	Citrashine (Pty) Ltd		ZAR	4.22	0	(3)	26	29	-	33	1	(0)	0	-	78%
68	Prolong Limited		ILS	21.23	-	-	-	-	-	(0)	(3)	-	(3)	-	78%
69	Agrinet Solutions Limited		INR	1.00	2	1	1	0	2.08	-	(0)	-	(0)	-	50%
70	Advanta Holdings B.V.		EUR	82.88	246	306	2,368	1,816	-	-	(86)	-	(86)	-	78%
71	Advanta Netherlands Holding B.V.		EUR	82.88	0	352	398	46	-	22	(12)	-	(12)	-	78%
72	Advanta US LLC (formerly known as Advanta U.S. Inc.)		USD	75.67	270	(299)	328	356	-	176	(32)	-	(32)	-	78%
73	Advanta Seeds International		USD	75.67	79	899	1,326	348	-	321	155	(7)	148	-	78%
74	Advanta Seeds DMCC		AED	20.60	1	156	171	14	-	15	(13)	-	(13)	-	78%
75	Advanta Comercio De Sementes LTDA.		BRL	14.55	394	(311)	231	303	154.07	106	(70)	-	(70)	-	78%
76	Advanta Semillas SAIC		ARS	1.18	97	41	320	182	-	272	57	(15)	42	-	78%
77	Advanta Seeds Pty Ltd		AUD	46.15	23	225	336	146	57	167	(30)	5	(24)	-	78%
78	Pacific Seeds (Thai) Limited		THB	2.31	14	482	657	161	-	406	103	(19)	84	-	78%
79	Pacific Seeds Holdings (Thailand) Limited		THB	2.31	0	165	165	0	-	-	(0)	-	(0)	-	78%
80	PT Advanta Seeds Indonesia		IDR	4.62	11	(36)	72	98	-	18	(17)	0	(17)	-	78%
81	Advanta Seeds Ukraine LLC		UAH	2.73	3	(1)	16	13	-	4	(5)	-	(5)	-	78%
82	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)		USD	75.67	0	1,114	3,350	2,260	24	4,923	586	-	586	-	78%
83	Riceco International Bangladesh Ltd		BDT	0.89	4	3	16	9	-	23	3	(1)	1	-	78%
84	Uniphos Malaysia Sdn Bhd		MYR	17.52	2	0	23	21	-	15	0	(0)	0	-	78%
85	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.		TRY	11.50	4	3	41	34	-	30	1	(0)	0	-	78%
86	Arysta LifeScience Australia Pty Ltd.		AUD	46.15	2	75	98	21	-	58	2	(1)	1	-	78%
87	Arysta LifeScience Iberia SLU		EUR	82.88	19	29	51	3	-	23	(2)	0	(1)	-	78%
88	Arysta LifeScience Benelux SPRL		EUR	82.88	101	362	903	440	-	1,575	308	(80)	228	481	78%
89	ANESA S.A.		EUR	82.88	90	1,869	1,971	12	-	1,809	1,846	(12)	1,834	-	78%
90	Arysta LifeScience (Mauritius) Ltd		USD	75.67	382	136	587	69	-	220	34	(1)	33	-	78%
91	UPL South Africa (Pty) Ltd (FKA Arysta LifeScience South Africa (Pty) Ltd)		ZAR	4.22	29	87	727	635	25	866	(2)	(1)	(3)	-	78%

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92	Arysta LifeScience Argentina S.A.		USD	75.67	280	(119)	376	214	-	349	(25)	(12)	(36)	-	78%
93	Arysta LifeScience Chile S.A.		USD	75.67	72	352	513	89	-	537	121	(33)	88	-	78%
94	Arysta LifeScience Colombia S.A.S		COP	18.62	3	95	163	65	-	217	(1)	(2)	(2)	-	78%
95	Arysta LifeScience Mexico, S.A.de C.V		MXN	3.15	39	167	716	510	-	403	(70)	2	(68)	-	78%
96	Grupo Bioquimico Mexicano, S.A. de C.V.		MXN	3.15	194	506	847	146	-	305	62	(17)	46	-	78%
97	Arysta LifeScience Costa Rica SA.		CRC	0.13	0	(4)	4	8	-	0	(3)	-	(3)	-	78%
98	MacDermid (Shanghai) Chemical Ltd.		RMB	10.66	8	(1)	7	-	-	0	(0)	-	(0)	-	78%
99	UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)		USD	75.67	7	7	30	15	-	24	4	(0)	3	-	78%
100	UPL Polska Sp. z.o.o (FKA Arysta LifeScience Polska Sp. z.o.o)		EUR	82.88	18	(9)	133	124	-	159	(3)	(0)	(3)	-	78%
101	PPWJ Sci		EUR	82.88	-	1	1	0	-	-	0	-	0	-	78%
102	Arysta LifeScience Japan Holdings Goudou Kaisha		JPY	69.68	0	1,600	1,600	0	-	-	(0)	-	(0)	-	78%
103	Arysta LifeScience Cameroun SA		XOF	0.13	11	(12)	110	111	-	130	3	(2)	0	-	78%
104	Arysta LifeScience (Shanghai) Co., Ltd.		RMB	10.66	23	(9)	72	58	-	145	(16)	-	(16)	-	78%
105	Arysta Health and Nutrition Sciences Corporation		JPY	69.68	34	98	423	299	7.57	585	99	(31)	68	-	78%
106	Arysta LifeScience Corporation		JPY	69.68	7	2,145	8,759	6,618	11.33	1,101	1,077	14	1,091	-	78%
107	Arysta LifeScience S.A.S.		EUR	82.88	155	753	2,255	1,359	13	1,036	118	(33)	85	-	78%
108	Arysta LifeScience Germany GmbH		EUR	82.88	21	34	430	376	-	421	3	1	4	-	78%
109	Arysta LifeScience Polska Sp. z.o.o		PLN	18.23	3	78	245	164	0.19	71	5	(1)	4	-	78%
110	Arysta LifeScience Peru S.A.C		USD	75.67	0	3	5	2	-	8	1	(1)	1	-	78%
111	GBM USA LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
112	Arysta LifeScience S.R.L.		BOB	10.97	0	52	75	23	-	41	5	-	5	-	52%
113	MacDermid Agricultural Solutions Australia Pty Ltd		AUD	46.15	-	-	-	-	-	-	-	-	-	-	78%
114	Arysta LifeScience Services LLP		INR	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	78%
115	Arysta LifeScience India Limited		INR	1.00	5	102	200	93	0.15	192	8	(10)	(2)	-	78%
116	Arysta LifeScience Agriservice Private Limited		INR	1.00	0	0	0	0	-	-	0	-	0	-	78%
117	Arysta Agro Private Limited		INR	1.00	0	0	0	0	-	-	0	-	0	-	78%
118	Arysta LifeScience Ougrée Production Sprl		EUR	82.88	25	59	168	83	-	26	26	(9)	17	-	78%
119	Arysta LifeScience U.K. BRL Limited		USD	75.67	33	5,242	5,312	37	-	433	518	(26)	493	-	78%
120	Arysta LifeScience UK & Ireland Ltd		GBP	93.45	-	-	-	-	-	-	-	-	-	-	78%
121	United Phosphorus Global Services Limited (FKA Arysta LifeScience Global Services Limited)		EUR	82.88	23	(111)	409	497	-	3	(19)	(0)	(19)	-	78%

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122	Arysta LifeScience U.K. JPY Limited		JPY	69.68	0	(2)	0	2	-	-	(0)	-	(0)	-	78%
123	Arysta LifeScience U.K. Limited		GBP	93.45	55	19	74	0	-	-	(0)	-	(0)	-	78%
124	Arysta Lifescience U.K. Holdings Limited		USD	75.67	1,305	(500)	3,169	2,364	-	-	(5)	-	(5)	-	78%
125	Arysta LifeScience Romania SRL		RON	17.17	7	9	64	49	-	147	4	(1)	3	-	78%
126	Arysta LifeScience Global Limited		USD	75.67	4,495	176	7,265	2,593	-	397	359	-	359	-	78%
127	Arysta LifeScience U.K. CAD Limited		CAD	53.08	0	(2)	0	2	-	-	(0)	-	(0)	-	78%
128	Arysta LifeScience European Investments Limited		USD	75.67	67	(350)	1,305	1,588	-	-	(58)	-	(58)	-	78%
129	Arysta LifeScience Great Britain Ltd		GBP	93.45	-	-	-	-	-	-	-	-	-	-	78%
130	Arysta LifeScience U.K. USD Limited		USD	75.67	1,412	822	9,983	7,749	-	62	(398)	-	(398)	-	78%
131	Arysta LifeScience U.K. EUR Limited		EUR	82.88	985	186	1,174	3	-	47	46	-	46	-	78%
132	Arysta LifeScience Netherlands BV		EUR	82.88	0	248	385	137	-	296	48	(12)	36	-	78%
133	UPL Agricultural Solutions Holdings BV (FKA MacDermid Agricultural Solutions Holdings BV)		EUR	82.88	5,221	(1,735)	6,441	2,954	-	163	549	(33)	516	-	78%
134	UPL Agricultural Solutions Netherlands BV (FKA UPL Agricultural Solutions Netherlands Cooperatief UA -FKA MacDermid Agricultural Solutions Netherlands Cooperatief UA)		EUR	82.88	5,282	(6)	5,322	46	-	-	(0)	(0)	(0)	-	78%
135	Arysta LifeScience Technology BV		EUR	82.88	726	(708)	19	-	-	-	0	(0)	0	-	78%
136	UPL Agricultural Solutions (FKA MacDermid Agricultural Solutions Italy Srl)		EUR	82.88	0	(2)	29	32	-	4	(7)	0	(6)	-	78%
137	Arysta LifeScience Bulgaria EOOD		BGN	42.37	1	15	59	43	-	72	6	(1)	6	-	78%
138	Vetopharma Iberica SL (FKA Santamix Iberica SL,Spain)		EUR	82.88	5	(11)	2	7	-	2	0	-	0	-	78%
139	Platform Sales Suisse GmbH		EUR	82.88	(0)	(470)	593	1,063	-	581	(111)	-	(111)	-	78%
140	Natural Plant Protection S.A.S.		EUR	82.88	15	53	82	14	-	27	19	(7)	12	-	78%
141	Arysta LifeScience Holdings France SAS		EUR	82.88	406	(104)	992	690	-	-	(28)	13	(15)	-	78%
142	Laboratoires Goëmar SAS		EUR	82.88	18	165	317	134	0	201	72	(27)	45	-	78%
143	Vetophama SAS (FKA Arysta Animal Health SAS)		EUR	82.88	12	171	222	39	-	175	34	(11)	23	-	78%
144	Betel Reunion S.A.		EUR	82.88	2	4	5	0	-	3	1	-	1	-	51%
145	Arysta LifeScience Czech s.r.o.		CZK	3.03	2	20	43	21	-	49	(6)	1	(5)	-	78%
146	UPL Agrosolutions Canada Inc (fka Arysta LifeScience Canada, Inc.)		HUF	0.23	3	45	114	66	0	142	5	(1)	5	-	78%
147	Arysta LifeScience Vostok Ltd.		RUB	0.96	25	(46)	6	27	-	-	4	(0)	3	-	78%
148	Arysta LifeScience RUS LLC		RUB	0.96	48	79	251	125	-	241	9	(4)	5	-	78%

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149	Arysta LifeScience Slovakia S.R.O.		EUR	82.88	2	5	32	25	-	28	(1)	0	(1)	-	78%
150	Arysta LifeScience Ukraine LLC		UAH	2.73	0	32	141	108	-	97	(13)	(3)	(15)	-	78%
151	Arysta LifeScience Kiev LLC		UAH	2.73	0	(0)	-	-	-	-	(0)	-	(0)	-	78%
152	Arysta LifeScience Inc.		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
153	Arysta LifeScience Management Company, LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
154	Arysta LifeScience SPC, LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
155	Arysta LifeScience America Inc.		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
156	UPL Agrosolutions Canada Inc (fka Arysta LifeScience Canada, Inc.)		CAD	53.08	947	439	2,250	864	-	525	1	(5)	(5)	-	78%
157	Arysta LifeScience Canada BC Inc.		CAD	53.08	-	1,340	3,076	1,736	-	-	165	5	170	-	78%
158	Arysta LifeScience North America, LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
159	Arysta LifeScience NA Holding LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
160	Dutch Agricultural Investment Partners LLC		USD	75.67	3	2	5	-	-	-	2	-	2	-	78%
161	Netherlands Agricultural Investment Partners LLC		USD	75.67	51	16	67	-	-	-	14	-	14	-	78%
162	Arysta LifeScience Investments LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
163	Arysta LifeScience Mexico Holding S.A.de C.V		MXN	3.15	281	(234)	60	12	-	-	(1)	(0)	(1)	-	78%
164	Bioenzymas S.A. de C.V.		MXN	3.15	0	12	13	1	-	-	2	(0)	1	-	78%
165	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.		MXN	3.15	1	(0)	0	0	-	-	(0)	-	(0)	-	78%
166	Agroquimicos y Semillas, S.A. de C.V.		MXN	3.15	0	16	17	1	-	1	2	(1)	2	-	78%
167	Omega Agroindustrial, S.A. de C.V.		MXN	3.15	0	9	46	37	-	85	2	(1)	1	-	78%
168	Servicios Agricolas Mundiales SA de CV		MXN	3.15	0	7	26	19	-	38	0	0	1	-	78%
169	Tecno Extractos Vegetales, S.A. de C.V.		MXN	3.15	14	86	106	6	-	24	17	(4)	13	-	78%
170	Tesaurus Mexico S.A. de C.V.		MXN	3.15	0	0	0	-	-	-	-	-	-	-	78%
171	Arysta LifeScience de Guatemala, S.A.		GTQ	9.82	17	(1)	75	59	-	76	6	(2)	4	-	78%
172	Arysta LifeScience Paraguay S.R.L.		USD	75.67	2	42	131	88	-	55	20	1	21	-	78%
173	Etec Crop Solutions Limited		NZD	44.96	0	59	90	31	0	122	20	(6)	14	-	78%
174	Arysta LifeScience Korea Ltd.		KRW	0.06	12	(16)	51	55	-	28	(3)	(0)	(3)	-	78%
175	Arysta LifeScience Pakistan (Pvt.) LTD.		PKR	0.46	2	37	67	28	-	72	20	(4)	16	-	78%
176	Myanmar Arysta LifeScience Co., Ltd.		MMK	0.05	0	91	115	24	-	89	17	(6)	11	-	78%

Amount in crore (₹)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate (Closing Rate)	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding investments made in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
177	Arysta LifeScience (Thailand) Co., Ltd.		THB	2.31	6	46	65	14	-	41	(2)	(1)	(2)	-	78%
178	Chemtura (Thailand) Ltd		THB	2.31	0	(0)	0	0	-	-	(0)	(0)	(0)	-	78%
179	Pt. Arysta LifeScience Tirta Indonesia		IDR	4.62	2	27	39	10	-	26	2	(0)	2	-	39%
180	Arysta LifeScience Philippines Inc.		PHP	1.48	0	(58)	18	76	-	22	1	0	1	-	78%
181	Arysta LifeScience Vietnam Co., Ltd.		VND	3.20	5	76	126	44	-	78	(2)	2	(1)	-	78%
182	Arysta LifeScience Asia Pte., Ltd.		USD	75.67	32	45	89	12	-	-	(3)	(0)	(3)	-	78%
183	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi		TRY	11.50	2	(1)	1	0	-	-	(0)	-	(0)	-	78%
184	Agrifocus Limitada		MZN	1.12	1	112	149	36	-	134	24	(8)	16	-	78%
185	Anchorprops 39 (Pty) Ltd		ZAR	4.22	0	3	6	3	-	-	0	-	0	-	78%
186	Arysta LifeScience Holdings SA (Pty) Ltd		ZAR	4.22	23	(19)	82	78	-	-	(2)	-	(2)	-	78%
187	Callietha Investments (Pty) Ltd		ZAR	4.22	8	5	20	6	-	-	-	-	-	-	78%
188	Volcano Agroscience (Pty) Ltd		ZAR	4.22	0	120	165	54	9	248	16	(6)	10	-	78%
189	Volcano Chemicals (Pty) Ltd		ZAR	4.22	0	0	0	-	-	-	(0)	-	(0)	-	78%
190	Sidewalk Trading (Pty) Ltd		ZAR	4.22	0	(0)	0	0	-	-	(0)	-	(0)	-	78%
191	Arysta LifeScience Kenya Ltd.		KES	0.72	0	3	61	59	-	61	(5)	1	(4)	-	78%
192	Arysta LifeScience Tanzania Ltd		TZS	0.03	0	(6)	12	17	-	13	(2)	0	(2)	-	78%
193	Arysta LifeScience Egypt Ltd		EGP	4.79	2	1	4	1	-	4	(0)	0	(0)	-	78%
194	UPL Togo SAU (FKA Arysta LifeScience Togo SAU)		XOF	0.13	5	(4)	4	3	-	2	(1)	(0)	(1)	-	78%
195	Calli Ghana Ltd.		GHS	13.17	1	(7)	40	45	-	72	5	-	5	-	78%
196	Callivoire SGFD S.A.		XOF	0.13	3	44	176	129	-	189	(4)	0	(4)	-	78%
197	Mali Protection Des Cultures (M.P.C.) SA		XOF	0.13	4	6	117	107	-	95	4	(2)	2	-	66%
198	Agriphar Poland Sp. Zoo		PLN	18.23	0	(0)	-	0	-	-	(0)	-	(0)	-	78%
199	Arysta LifeScience Switzerland Sarl		CHF	78.31	0	0	1	0	-	0	0	(0)	0	-	78%
200	Arysta LifeScience CentroAmerica, S.A.		GTQ	9.82	-	-	-	-	-	-	-	-	-	-	78%
201	Arvesta Corporation		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
202	Arysta LifeScience Registrations Great Britain Ltd		GBP	93.45	0	-	0	-	-	-	-	-	-	-	78%
203	Agriphar SDN BHD		MYR	17.52	-	-	-	-	-	-	-	-	-	-	78%
204	Industrias Agriphar SA		GTQ	9.82	-	-	-	-	-	-	-	-	-	-	78%
205	Agripraza Ltda.		EUR	82.88	-	-	-	-	-	-	-	-	-	-	78%
206	Arysta LifeScience Corporation Republica Dominicana, SRL		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
207	Grupo Bioquimico Mexicano Republica Dominicana SA		DOP	1.40	-	-	-	-	-	-	-	-	-	-	78%
208	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.		BRL	14.55	1,202	(279)	9,122	8,221	22	7,300	(1,033)	343	(690)	-	78%
209	Arvesta Paraguay S.A.		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%

Amount in crore (₹)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate (Closing Rate)	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding investments made in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
210	Arysta Agroquimicos y Fertilzantes Uruguay SA		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
211	Arysta LifeScience U.K. USD-2 Limited		GBP	93.45	0	-	0	-	-	-	-	-	-	-	78%
212	Industrias Bioquim Centroamericana, Sociedad Anónima		CRC	0.13	2	71	200	127	-	115	(1)	(0)	(2)	-	78%
213	Procultivos, Sociedad Anónim		CRC	0.13	0	2	2	-	-	0	0	(0)	0	-	78%
214	Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. 26 June 2019)		CRC	0.13	0	1	1	-	-	0	0	(0)	0	-	78%
215	Bioquim, Sociedad Anónima		CRC	0.13	-	-	-	-	-	-	-	-	-	-	78%
216	Bioquim Panama, Sociedad Anónima		USD	75.67	0	(2)	1	3	-	1	(0)	-	(0)	-	78%
217	Bionic Nicaragua, Sociedad Anónima		NIO	2.24	0	(8)	17	25	-	18	(3)	-	(3)	-	78%
218	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada		DOP	1.40	-	-	-	-	-	-	-	-	-	-	78%
219	Nutriquim De Guatemala, Sociedad Anónima		GTQ	9.82	-	-	-	-	-	-	-	-	-	-	78%
220	UPL Agro Ltd		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
221	UPL Portugal Unipessoal, Ltda.		EUR	82.88	4	5	54	45	-	1	7	(1)	5	-	78%
222	UPL Services LLC		USD	75.67	-	-	-	-	-	-	-	-	-	-	78%
223	United Phosphorus Holdings Uk Ltd		EUR	82.88	-	-	-	-	-	-	-	-	-	-	78%
224	AFS Agtech Pvt. Limited		INR	1.00	0	(1)	0	1	-	-	(1)	0	(1)	-	100%
225	Natural Plant Protection Limited		INR	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	100%

Note:

1. UPL NA Inc. (formerly known as United Phosphorus Inc.) results include the results of UPL Delaware, Inc., Cerexagri Inc; Canegrass LLC, Riceco LLC, UPI Finance LLC, Advanta US LLC (formerly known as Advanta U.S. Inc.), Arysta LifeScience Inc.,Arysta LifeScience Management Company, LLC ,Arysta LifeScience NA Holding LLC,Arysta LifeScience North America, Arysta LifeScience America Inc, LLC and Arysta LifeScience Investments LLC and UPL Services LLC
2. Decco US Post-Harvest Inc results include the results of Essentiv LCC.
3. UPL Limited,Hong Kong (Formerly Known as United Phosphorus Limited, Hongkong) results includes the results of UPL Shanghai Ltd (Formerly known as United Phosphorus (Shanghai) Company Limited), UPL Jiangsu Limited and UPL Agro Ltd.
4. UPL Agro Ltd, UPL Portugal Unipessoal, Ltda., UPL Services LLC, United Phosphorus Holdings Uk Ltd, AFS Agtech Pvt. Limited and Natural Plant Protection Limited have been formed during the year
5. Industrias Bioquim Centroamericana, Sociedad Anónima, Procultivos, Sociedad Anónim, Inversiones Lapislazuli Marino, Sociedad Anónima, Bioquim, Sociedad Anónima, Bioquim Panama, Sociedad Anónima, Bionic Nicaragua, Sociedad Anónima, Biochemisch Dominicana, Sociedad De Responsabilidad Limitada and Nutriquim De Guatemala, Sociedad Anónima have been acquired during the year
6. Exchange rate in ₹ is per thousand of COP, IDR & VND and for JPY Exchange rate in ₹ is per hundred.

Statement of AOC 1 Form

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of associate companies/joint ventures

PART B ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint venture

Sr. No.	Names of Associate and Joint venture	Weather Risk Management Pvt LTD	Kerala Enviro Infrastructure Limited	Sinagro Produtos Agropecuários S.A.	3SB Produtos Agrícolas S.A.	Serra Bonita Sementes S.A.	LongReach Plant Breeders PTY LTD	Hodogaya UPL Co. Ltd.	Agronamic (Pty) Ltd.	Novon Protecta (Pty) Ltd	Agri Fokus Proprietary Limited	Novon Retail Company (Pty) Ltd.	Silvix Forestry (Pty) Ltd.	Dalian Advance Chemical Co.Ltd.	Nexus AG (Pty) Ltd	Société des Produits Industriels et Agricoles
1.	Last Audited/Reviewed Balance sheet date	31.03.2020	31.03.2020	31.12.2019	31.12.2019	31.12.2019	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
2.	Date on which the Associate or Joint Venture was associated or acquired	28.06.2016	28.02.2007	29.06.2015	29.06.2015	31.07.2017	02.11.2007	03.03.2008	31.01.2019	31.01.2019	31.01.2019	31.01.2019	31.01.2019	31.01.2019	31.01.2019	31.01.2019
3.	Shares of Associates/Joint ventures held by the Company for the year end															
	No.	48,214	33,50,000	45,43,07,170	30,000	10,30,16,215	88,223	200	260	7,44,526	2,510	1,004	251	17,85,000	1,920	52,398
	Amount of Investment in Associate/Joint venture	11	6	-	65	158	49	28	4	6	4	6	0	1	9	13
	Extend of Holding %	32.1%	27.5%	45.0%	45.0%	33.3%	70.0%	40.0%	28.4%	25.1%	25.1%	25.1%	25.1%	21.0%	25.1%	32.0%
4.	Description of how there is significant influence	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement	By Holding Equal to more than 20% shares and as Joint venture Agreement
5.	Reason why to associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA		NA	NA	NA	NA	NA
6.	Networth attributable to share holding as per latest Audited/ Reviewed Balance sheet	7	6	-	12	169	32	28	1	8	5	3	0	1	6	13
7.	Profit/(Loss) for the year															
	i. Considered in consolidation	-1.82	1.06	-	-9.45	4.30	1.94	4.11	-0.03	-0.57	1.25	-0.23	0.11	-0.00	0.78	1.17
	ii. Not considered in consolidation															

Independent Auditors' Report

To the Members of
UPL Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of UPL Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

EMPHASIS OF MATTER

We draw attention to note 45 of the standalone financial statements regarding the amalgamation of Advanta Limited into the Company accounted for in the financial year 16-17 with effect from 1 April 2015. In accordance with the Scheme approved by the Hon'ble High Court of Gujarat ('the Scheme') the amalgamation had been accounted for as per Accounting Standard 14 – 'Accounting for Amalgamations'. Accordingly, all assets and liabilities of Advanta Limited had been recorded at their respective existing book values. The difference between the book values of the net assets so recorded and the consideration (being fair value of equity shares and issue price of preference shares issued by the Company to the shareholders of Advanta Limited) aggregating ₹ 3,697 crore had been debited as goodwill. This goodwill is being amortised as per terms of the Scheme and is also tested for impairment every year. Such accounting treatment of this transaction is different from that prescribed under Ind AS 103 – 'Business Combinations' which requires assets, liabilities and consideration to be measured at fair value and goodwill to be tested only for impairment. Had the accounting treatment prescribed under Ind AS 103 been followed, profit after tax reported for the year ended March 31, 2020 would have been higher by ₹ 370 crore and goodwill and equity as at March 31, 2020 would have been higher by ₹ 1,842 crore respectively.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTER

Revenue recognition, rebates and sales returns

Refer note 2.1 and 2.2 (b) to accounting policies and note 21 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition • The timing of revenue recognition is relevant to the reported performance of the Company. • We identified revenue recognition as a key audit matter because of quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognised.	Our procedures included the following: • We assessed the compliance of the revenue recognition accounting policies against the requirements of Indian Accounting Standards ("Ind AS"). • We evaluated the design and operating effectiveness of the relevant key financial controls with respect to revenue recognition on selected transactions.

Revenue recognition, rebates and sales returns

Refer note 2.1 and 2.2 (b) to accounting policies and note 21 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
	• Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records. • We tested the accuracy of revenue recognised around year end. On a sample basis, we evaluated the revenue being recognised in the correct accounting period. • We assessed the adequacy of disclosures in the standalone financial statements against the requirements of Ind AS 115, Revenue from contracts with customers.
Rebates and sales returns The Company provides rebates to various customers in terms of formal agreements. The recognition and measurement of rebates, including establishing an accrual at year end, involves significant judgement and estimates, particularly the expected level of rebates of each of the customers. As disclosed in Note 2.1 to the standalone financial statements, revenue is recognised net of sales returns. Estimation of sales returns involves significant judgement and estimates. The value of rebates and sales returns together with the level of judgement involved resulted in rebates and sales returns being a key audit matter.	Our procedures included the following: • Understanding the process followed by the Company for identifying and determining the value of rebates and sales returns. • We evaluated the design and tested the operating effectiveness of the relevant key financial controls with respect to recognition and accrual of the rebate expense and sales returns. • We tested the data used by the Company in assessing the provision for rebates and sales returns for completeness and accuracy by agreeing the invoices for the rebate and sales returns to the formal agreements; • On a sample basis, we evaluated the basis of rebate and sales return provision by agreeing amounts recognised to the terms of agreements and approvals. • We assessed the assumptions and judgements used in the sales return provision by comparing against historical trends returns and subsequent actual sales returns. • We compared year end customer rebate accruals and rebate costs in the year to prior year actual rebate payments to assess the accuracy of the accrual against actual rebates paid.

Existence and valuation of inventory

Refer notes 2.1, 2.2 (i) to the accounting policies and note 9 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has operations spread across the country and holds inventory at various locations. The Company has a plan wherein inventory is verified on a periodic basis to ascertain the existence of inventory. Inventory valuation involves significant assumptions and estimations made by the Company which include identifying obsolete inventory, slow moving inventory and inventory not suitable for use. The Company also makes an estimate for slow moving inventory based on the age of the inventory. We have identified inventory as a key audit matter because of the number of locations at which inventory is stored, and the judgement applied in the valuation of inventory.	Our procedures included the following: • We assessed the inventories accounting policies and evaluated compliance with the requirements of Ind AS. • We evaluated the design and the operating effectiveness of the relevant key financial controls with respect to physical verification of inventory, valuation of inventory, including the provision for obsolete and slow-moving inventory. • For locations selected using statistical sampling, we observed physical verification of inventory conducted by the Company as at the year end. Furthermore, for inventory held by third parties, we verified the quantity of inventory on hand against independent inventory statements. • We obtained the system generated inventory ageing report and analyzed the ageing profile of inventories to identify slow and obsolete inventory. Using the aged system report, we assessed the adequacy of the allowance for obsolete and slow-moving inventory items.

Impairment of trade receivables

Refer notes 2.1 & 2.3 (m) to the accounting policies and note 10 and 41 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Trade receivables amount to approximately 3,161 crore and the expected credit loss amounts to approximately 120 crore as at March 31, 2020. The Company has applied a simplified ECL model to determine the impairment against trade receivables at the reporting date. The expected credit loss (ECL) model involves the use of various assumptions and study of historical observed default rates over the expected life of the trade receivables. The significant judgements include the assessment for the forward-looking estimates. Due to the significance of trade receivables and the significant judgement involved in determining the ECL, the impairment of trade receivables was considered to be a key audit matter.	Our procedures included the following: • We assessed the design and implementation and tested the operating effectiveness of the Company's relevant key financial controls around the ECL allowance. • We critically assessed the ECL model developed by the Company and verified with the requirement of Ind AS 109. • Tested key assumptions and judgements, such as those used to assess the likelihood of default and loss on default by comparing to historical data. • We involved our IT specialists to check the system generated ageing report used in assessing the ECL allowance, the system controls around the processing of data used for ECL and verifying the output generated thereof. • We considered the adequacy of the disclosures in the standalone financial statements against the requirements of Ind AS 109, Financial Instruments and Ind AS 107, Financial Instruments Disclosures.

Valuation of goodwill

Refer to accounting policy notes 2.1, 2.2 (d), 4 and 49 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
• As at March 31, 2020, the Company had 1,855 crore of goodwill as a result of acquisition of Advanta Limited. • The Company makes significant judgement in estimating future cash flows which are used for annual goodwill impairment testing. The Company compares the carrying value of the assets with their recoverable amount • The inputs to the impairment testing model which have most significant impact on the model includes: a) Future cash flows and growth rate; and b) Discount rate applied to the projected cash flows • The impairment test model includes sensitivity testing of key assumptions. • The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because: a) the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain; and b) the significance of the balance to the standalone financial statements.	Our procedures included the following: • We assessed the Company's methodology applied in determining the CGUs to which these assets are allocated. • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; • We compared the cash flow forecasts to approved budgets and other relevant market and economic information, as well as testing the underlying workings. • We assessed Company's sensitivity analysis over the key assumptions to determine any possible change in these assumptions which would result in an impairment. • We involved our valuation expert to assess the assumption and methodology used by the Company to determine the recoverable amount. • Assessing the adequacy of the Company's disclosures related to the impairment tests and their compliance with Ind AS.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting

Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note 35(b) to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in the standalone financial statements since they do not pertain to the financial year ended March 31, 2020.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABJ7351

Mumbai
May 22, 2020

Annexure A to the Independent Auditors' Report on standalone financial statements

(Referred to in our report of even date)

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

b) The Company has a regular programme of physical verification of its fixed assets (property, plant and equipment) by which all fixed assets (property, plant and equipment) are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets (property, plant and equipment) were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us by the management and on the basis of an examination of the records of the Company, the title deeds of the immovable properties as disclosed in Note 3 of the standalone financial statements are held in the name of the Company, except in the case of leasehold land, freehold land and buildings with a carrying value of ₹ 11 crore, ₹ 2 crore and ₹ 47 lakh (Gross block of ₹ 11 crore, ₹ 2 crore and ₹ 1 crore) as at March 31, 2020 respectively, wherein as explained to us, the Company is not able to reconcile with fixed assets register with the title deeds and hence we are unable to comment on the same.

ii. The inventory, except goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year- end, written confirmations have been obtained by management and in respect of goods-in- transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.

iii. The Company has granted unsecured loan to one company covered in the register maintained under Section 189 of the Act.

a) In respect of the aforesaid loan, the terms and conditions under which such loan was granted are not prejudicial to the Company's interest.

b) In respect of aforesaid loan, which is repayable on demand, we are informed that the amount of interest and principal demanded by the company has been fully paid during the year and thus, there has been no default on the part of parties to whom the money has been lent.

c) There are no amounts overdue for more than ninety days at the balance sheet date in respect of the aforesaid loan.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans granted, investments made, guarantees given and security provided as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and services tax, Duty of Customs and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Profession tax have not generally been regularly deposited during the year with the appropriate authorities though the delays in deposit have not been serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Duty of customs and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable except for profession tax as given below.

Name of the Statute	Nature of the Dues	Amount (in crore)	Period to which amount relates	Due date	Date of payment
Profession tax	Tax	0.04	April 2018 to September 2019	Various	Unpaid

b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Income-tax, Sales Tax, Service tax, Duty of customs, Goods and services tax, duty of excise and value added tax as at March 31, 2020, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount (in crore)	Amount paid under protest (in crore)	Period to which amount relates (Assessment Year)	Forum where dispute is pending
Income tax Act, 1961	Income tax demands	10	-	AY*1995-96 to AY 1997- 98, AY 2008-09 to AY 2010-11 and AY 2015-16	Supreme Court, High Court, Commissioner Income-tax and Income-tax Appellate Tribunal
Sales tax Act	Sales tax demands	20	3	FY 1985-86, 1995-96, 2005-06 to 2007-08, 2011-12, to 2014-15	Supreme Court, Jt Commissioner of Sales tax, Sales tax Tribunal
Central Excise/ Finance Act	Excise duty/ Service tax demands	88	0	FY 1989-90, 1994-2004 and 2007-2015	Commissioner (Appeals) Central Excise and Service tax Appellate Tribunal
Custom duty	Custom duty demands	22	-	FY 1992 to 1997, 2000, 2001 and 2004	Commissioner (Appeals) Central Excise and Service tax Appellate Tribunal
Foreign Trade (Development and regulation) Act	Fiscal Penalty	33	-	FY 1992 to 1997	Bombay High Court
Goods and Services Tax	Goods and Service Tax demands	2	2	FY 2019-20	Goods and Service Tax Appellate Tribunal

* AY – Assessment year, FY – Financial year

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings from financial institution, bank or dues to debenture holders during the year. The Company did not have any loans or borrowings from the government during the year.

ix. According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, para 3(ix) of the Order is not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of such case by the management.

xi. According to the information and explanations given to us, and based on our examination of the records of the Company, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, para 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, no preferential allotment or private placement of shares or fully or partly convertible debentures was made during the year. Accordingly, para 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any noncash transactions with directors or persons connected with them. Accordingly, para 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under the clause 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABJ7351

Mumbai
May 22, 2020

Annexure B to the Independent Auditors' Report on the Standalone financial statements of UPL Limited March 31, 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2(A)f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to standalone financial statements of UPL Limited ("the Company") as at March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABJ7351

Mumbai
May 22, 2020

Standalone Balance Sheet

as at March 31, 2020

₹ in crore

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3	3,145	2,455
Capital work-in-progress	3	804	821
Goodwill	4	1,855	2,225
Other intangible assets	4	249	301
Right of use assets	48	105	-
Intangible assets under development	4	82	68
Financial assets			
(i) Investments	5	1,406	1,441
(ii) Loans	6	64	76
(iii) Other financial assets	7	35	35
Income tax assets (Net)		257	148
Other non-current assets	8	140	181
Total non-current assets		**8,142**	**7,751**
Current assets			
Inventories	9	1,316	1,866
Financial assets			
(i) Trade receivables	10	3,161	2,733
(ii) Cash and cash equivalents	11	138	77
(iii) Bank balances other than ii above	11A	25	23
(iv) Loans	6	2	79
(v) Other financial assets	7	241	243
Other current assets	8	777	1,131
Total Current assets		**5,660**	**6,152**
Non Current Assets held-for-sale	**5A**	**26**	**-**
Total Assets		**13,828**	**13,903**
Equity and liabilities			
Equity			
Equity share capital	12	153	102
Other equity	13	7,871	7,870
Total Equity		**8,024**	**7,972**
Liabilities			
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	14	458	458
(ii) Other financial liabilities	15	3	4
(iii) Lease liabilities	48	82	-
Deferred tax liabilities (net)	19	165	67
Total Non-current liabilities		**708**	**529**
Current liabilities:			
Financial liabilities			
(i) Borrowings	14	539	907
(ii) Trade payables			
- Total outstanding dues of micro and small enterprises	17	64	26
- Total Outstanding dues of creditors other than micro and small enterprises	18	3,233	2,791
(iii) Other financial liabilities	15	401	429
Other current liabilities	16	729	1,146
Provisions	20	130	103
Total Current liabilities		**5,096**	**5,402**
Total liabilities		**5,804**	**5,931**
Total equity and liabilities		**13,828**	**13,903**
Summary of significant accounting policies	2.2		
See accompanying notes to the financial statements	1-52		

In terms of our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
DIN No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
DIN No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2020

₹ in crore

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue			
Revenue from operations	21	9,641	8,660
Other income	22	506	560
Total Income		**10,147**	**9,220**
Expenses			
Cost of materials consumed	23	4,705	4,741
Purchases of stock-in-trade		607	521
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	24	248	(160)
Employee benefit expenses	25	646	551
Finance costs	26	272	185
Depreciation and amortisation expenses	27	891	724
Other expenses	28	2,230	2,168
Total Expenses		**9,599**	**8,730**
Profit before exceptional items and tax		548	490
Exceptional items	43	10	4
Profit before tax		**538**	**486**
Tax expenses			
Current tax	19	55	83
Adjustments of tax relating to earlier years	19	-	(3)
Deferred tax (credit)/charge	19	22	1
Total tax expenses		**77**	**81**
Profit For The Year		461	405
Other Comprehensive Income (OCI)	30		
(i) Items that will not be reclassified to profit or loss		(2)	6
(ii) Income tax relating to items that will not be reclassified to profit or loss		0	2
Total Other Comprehensive Income for the year, net of tax		**(2)**	**4**
Total Comprehensive Income for the year		**459**	**409**
Earnings per equity share (in ₹) of face value of ₹ 2 each			
Basic	31	6.03	5.30
Diluted	31	6.03	5.30
Summary of significant accounting policies	2.2		
See accompanying notes to the financial statements	1-52		

In terms of our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
DIN No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
DIN No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Changes in Equity

for the year ended March 31, 2020

A. EQUITY SHARE CAPITAL

Issued, subscribed and fully paid	Equity Shares of ₹ 2 each	
	Nos.	₹ in crore
At March 31, 2018	50,93,33,081	101
Issued during the year	9,589	1
At March 31, 2019	**50,93,42,670**	**102**
Issued during the year	25,47,02,786	51
At March 31, 2020	**76,40,45,456**	**153**

B. OTHER EQUITY

For the year ended March 31, 2020

₹ in crore

	Reserve and Surplus							Equity Instruments through Other Comprehensive Income	Total Other Equity
	Capital redemption reserve	Capital reserve	Debenture redemption reserve	Securities premium	Share Based Payment reserve	General reserve	Retained earnings		
At March 31, 2019	38	86	140	4,607	0	1,848	1,145	6	7,870
Profit for the year	-	-	-	-	-	-	461	-	461
Other comprehensive income (refer note 30)	-	-	-	-	-	-	(1)	(1)	(2)
Dividends paid during the year (refer note 12A)	-	-	-	-	-	-	(407)	-	(407)
Share options received (refer note 34)	-	-	-	0	0	-	-	-	0
Issue of Bonus shares	(38)			(13)					(51)
As at March 31, 2020	**-**	**86**	**140**	**4,594**	**0**	**1,848**	**1,198**	**5**	**7,871**

There are no amounts in respect of Equity Component of convertible preference shares and hence not included in the statement above.

Standalone Statement of Changes in Equity

for the year ended March 31, 2020

For the year ended March 31, 2019

₹ in crore

	Reserve and Surplus								Total Equity
	Capital redemption reserve	Capital reserve	Debenture redemption reserve	Securities premium	Share Based Payment reserve	General reserve	Retained earnings	Equity Instruments through Other Comprehensive Income	
At March 31, 2018	38	86	141	4,607	0	1,848	1,143	5	7,868
Profit for the year	-	-	-	-	-	-	405	-	405
Other comprehensive income (refer note 30)	-	-	-	-	-	-	3	1	4
Dividends paid during the year (refer note 12A)	-	-	-	-	-	-	(407)	-	(407)
Share options received (refer note 34)	-	-	-	0	0	-	-	-	0
Transfer from retained earnings/(Debenture Redemption Reserve)	-	-	(1)	-	-	-	1	-	-
As at March 31, 2019	**38**	**86**	**140**	**4,607**	**0**	**1,848**	**1,145**	**6**	**7,870**

See accompanying notes to the financial statements

In terms of our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 22, 2020

R.D. Shroff
Chairman & Managing Director
DIN No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
DIN No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Cash Flows

for the year ended March 31, 2020

₹ in crore

	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before exceptional items and tax	548	490
Adjustments for		
Depreciation of property, plant and equipment	414	284
Depreciation of Right of Use assets	39	-
Amortisation of intangible assets	438	440
Assets written off	4	5
Interest Income	(25)	(65)
Profit on sale of assets (net)	(0)	(0)
Profit on sale of Investment	-	(46)
Fair value gain/(loss) on financial instruments at fair value through profit or loss	(12)	(7)
Dividend Income on Long-term investments in Subsidiary	(429)	(412)
Share in profit from investment in United Phosphorus (India) LLP	(32)	(19)
Allowances for doubtful debts and advances (net)	33	31
Finance costs	272	185
Unrealised exchange difference (net)	74	(6)
Liabilities / provisions no longer required written back (net)	(2)	(12)
Working capital adjustments		
(Increase) in trade receivables	(397)	(791)
Decrease / (Increase) in inventories	550	(414)
Decrease / (Increase) in non-current and current financial assets	12	(2)
Decrease / (Increase) in other non-current and current assets	448	(445)
Increase in other non-current and current trade payables	250	472
Increase / (decrease) in other non-current and current financial liabilities	77	(58)
(Decrease) / Increase in other current liabilities	(417)	1,084
Increase / (decrease) in provisions and Net employee defined benefit liabilities	26	17
Cash flow from Operations	1,871	730
Income tax paid (including TDS) (net)	(88)	(62)
Cash Flow Before Exceptional items	1,783	668
Exceptional Items	(10)	(4)
Net cash flows from operating activities	1,773	**664**
Cash flow from investing activities		
Purchase of property, plant and equipment (including CWIP)	(1,065)	(987)
Purchase of intangible assets (including CWIP)	(30)	(40)
Proceeds from sale of property, plant and equipment	79	0
Profit on sale of Mutual funds	-	2
Proceeds from redemption of preference shares of subsidiary	-	254
Proceeds from sale of investments	61	-
Purchase of non current investments	(9)	(1,029)
Dividend Income on Long-term investments in Subsidiary	429	412
Interest received	25	82
Sundry loans - Repayment received	-	5
Fixed deposits and margin money (net)	(2)	10
Advances and loans to subsidiaries - Given	-	(77)
Advances and loans to subsidiaries - Repayment received	77	929
Net cash flows from / (used in) investing activities	(435)	**(439)**
Cash flow from financing activities		
Interest and finance cost paid	(184)	(302)
(Repayments of)/Proceeds from current borrowings (net)	(368)	594
Repayments of non current term borrowings	(273)	(127)
Proceeds from exercise of share options	1	0
Repayment of lease liability (net)	(46)	-
Payment of dividend	(407)	(406)
Net Cash flows from / (used in) financing activities	(1,277)	**(241)**

Standalone Statement of Cash Flows

for the year ended March 31, 2020

₹ in crore

	For the year ended March 31, 2020	For the year ended March 31, 2019
Net increase / (decrease) in cash and cash equivalents	61	(16)
Cash and cash equivalents at the beginning of the year (Refer note 11)	77	93
Cash and cash equivalents at the end of the year (Refer note 11)	138	77

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

₹ in crore

Particulars	Notes	March 31, 2019	Cash flows	Non-cash changes				March 31, 2020
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Unsecured Redeemable Non convertible Debentures (NCDs)	14 and 15	731	(273)	-	-	-	33	491
Cash credit, packing credit and working capital demand loan accounts	14	907	(368)	-	-	-	-	539
Total liabilities from financing		**1,638**	**(641)**	**-**	**-**	**-**	**33**	**1,030**

Particulars	Notes	March 31, 2018	Cash flows	Non-cash changes				March 31, 2019
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Unsecured Redeemable Non convertible Debentures (NCDs)	14 and 15	809	(127)	-	-	-	49	731
Cash credit, packing credit and working capital demand loan accounts	14	313	594	-	-	-	-	907
Total liabilities from financing		**1,122**	**467**	**-**	**-**	**-**	**49**	**1,638**

See accompanying notes to the financial statements

Notes:
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) Statement of Cash Flows.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
DIN No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
DIN No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Notes to Standalone Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

UPL Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the companies act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at 3-11, G.I.D.C., Vapi, Dist.- Valsad, Gujarat.

The Company is principally engaged in the agro business of production and sale of agrochemicals, field crops, vegetable seeds and non agro business of production and sale of industrial chemicals, chemical intermediates, speciality chemicals.

The standalone financial statements were authorised for issue in accordance with the resolution of the directors on May 22, 2020.

2.1 Basis of Preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The standalone financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

All accounting policies followed are consistent with that of the previous year except for the change in accounting policy due to adoption of Ind AS 116. Refer Note 2.3

The standalone financial statements are presented in Indian Rupees ('INR') or ('₹') which is also the Company's functional currency and all values are rounded to the nearest crore, except when otherwise indicated. Wherever an amount is represented as ₹ '0' (zero) it construes a value less than rupees fifty lakh.

Significant accounting estimates, assumptions and judgements

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plan (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 33 for details of the key assumptions used in determining the accounting for these plans.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 39 and 40 for further disclosures.

Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date. Refer note 9

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the standalone statement of profit and loss.

Discount/incentives and sales return

The Company recognises the accruals for discount/ incentives and returns based on accumulated experience and underlying schemes and agreements with customers.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Determining the fair value less costs to sell of the held for sale assets based on significant observable inputs

The fair value of assets held for sale are recognised at fair value less cost of disposal. These assets are planned to be disposed of to settle customers recoverable amount.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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 identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

b. Revenue recognition

The Company derives revenue primarily from sale of agro-chemical and other products.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognise revenues, the Company applies the following five step approach:

- identify the contract with a customer,
- identify the performance obligations in the contract,
- determine the transaction price,
- allocate the transaction price to the performance obligations in the contract, and
- recognise revenues when a performance obligation is satisfied.

Sale of Goods

The Company recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/ incentives and returns are estimated (using the most likely method based on accumulated experience and underlying schemes and agreements with customers). Due to the short nature of credit period given to customers, there is no financing component in the contract.

Rendering of services

Income from services are recognised as and when performance obligation is met.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Export Incentive

Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the benefit / obligation is accounted by making suitable adjustments in raw material consumption.

Notes to Standalone Financial Statements
for the year ended March 31, 2020

The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" as 'Export Incentive'.

Dividends and Royalties

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend. Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

c. Property, Plant and Equipment

Items of Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost, is not depreciated and is assessed for impairment. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure is only capitalised if it is probable that the future economic benefits associated with the expenditure will flow. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In respect of additions to / deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the month of addition / deletion of the Assets.

Depreciation

- **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.

- **Other Assets:**

  The Company depreciates on a straight-line method based on following estimated useful life of assets.

Nature of Tangible Assets	Useful Life (years)
Plant & Equipment's	3 to 25
Building	30 to 60
Laboratory Equipment's	10
Office Equipment's	5
Furniture, Fixtures & Equipment's	10
Vehicles	8
Leasehold improvements	over the period of lease

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

d. Intangible assets

i) Goodwill

a) Goodwill arising on amalgamation in accordance with court scheme.

Goodwill arising on amalgamation of Advanta Limited has been recognised in accordance with court scheme. Said goodwill has been amortised in accordance with the court scheme for which Company has estimated useful life of 10 years. (Refer note 45)

b) Goodwill other than mentioned above

- Goodwill is initially measured at cost, being the excess of the aggregate fair value of the consideration transferred over the net of fair value of identifiable assets acquired and liability assumed.
- Subsequent measurement is at cost less any accumulated impairment losses.
- Goodwill is not amortised and is tested for impairment annually.

ii) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

The residual value, the amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Company's intangible assets is as follows

Intangible assets	Useful Life (years)	Amortisation method used
Product Acquisitions	Fifteen years	Amortised on straight-line basis from the month of additions to match their future economic benefits
Germ plasm	Ten to fifteen years	Amortised on straight-line basis
Other Intangible assets	Five years	Amortised on straight-line basis

e. **Borrowing costs**

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing cost are being incurred. A qualifying asset is an asset that necessarily takes a substantial time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period they are incurred.

Borrowing cost includes interest expense, amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

f. **Foreign currency**

Transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities 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 foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognised as income or expenses in the statement of profit and loss. 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 standalone financial statements, are recognised as income or expenses in the year in which they arise.

Foreign exchange difference on foreign currency borrowings, loans given, settlement gain/loss and fair value gain/loss on derivative contract relating to borrowings are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowings cost and capitalised with cost of assets.

g. **Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date on a portfolio basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

– Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

– Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

– Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summaries accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (note 40)
- Financial instruments (including those carried at amortised cost) (note 5, 6, 7, 10, 11, 11A, 14, 15, 17, 18, 38, 39, 40 and 41)

h. **Leases**

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 116. The details of accounting policies under Ind AS 116 are disclosed separately.

Policy applicable from April 1, 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after April 1, 2019.

i. **As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Policy applicable before April 1, 2019

For contracts entered into before April 1, 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether: fulfilment of the arrangement was dependent on the use of a specific asset or assets; and the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:

- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a lessee

In the comparative period, as a lessee the Company classified leases that transferred substantially all of the risks and rewards of ownership as finance leases, When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the

Notes to Standalone Financial Statements
for the year ended March 31, 2020

assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease.

On April 2019 i.e. the date of transition to Ind AS 116, below were the amounts recognised as Right of Use Asset and Lease Liability –

Description	₹ in crore
Land & Building	161
Office Equipment	0
Plant & Machinery	0
Vehicles	14
Total	**175**
Right of use lease liability	**175**

There is no impact on opening retained earnings and deferred taxes on the transition date.

i. Inventories

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. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.

Work-in-progress, finished products and by-products are valued at lower of cost or net realisable value. Cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory.

Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower.

Any write-down of inventories is recognised as an expense during the year.

j. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

l. Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

m. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both its following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full

without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 116

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

- All lease receivables resulting from transactions within the scope of Ind AS 116

The Company recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

• All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

• cash flows from the sale of collateral held or Other credit enhancements that are integral to the contractual terms

• Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

n. **Financial liabilities**
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings
This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 14.

Financial guarantee contracts
Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. **Derivative financial instruments**
Initial recognition and subsequent measurement
The Company uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps contracts to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Fair value changes are recognised in the statement of profit and loss.

p. **Cash and cash equivalents**
Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q. **Cash dividend**
The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate

laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r. **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognised to the extent that it is reasonably certain that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

s. **Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

Export Benefits

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

The benefit accrued under the Duty Drawback, Merchandise Export Incentive 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'.

t. **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.

u. **Segment Reporting**

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected 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 standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

v. **Contingent Liability and Contingent assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the standalone financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

w. **Share Based Payments**

Measurement and disclosure of the employee share based payment plans is done in accordance with Ind AS 102, Share Based Payment. The Company measures compensation cost relating to employee stock options using the fair value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

x. **Non-current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal of Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Non-current assets held for sale to owners are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

y. Biological Assets

The biological assets of the Company represents the unharvested/standing crops as on the reporting date. Ind AS 41, Agriculture, requires that biological assets shall be recognised at its fair value less point of sale costs, except when there is inability to measure fair value reliably. There are neither observable market prices for these Biological assets nor are there alternative estimates of fair value that are determined to be clearly reliable that give a fair expression of the fair values. Hence, the standing crops are measured at initial recognition and at each financial reporting date at cost. This comprises any cost attributes in bringing Biological assets to its location and conditions intended by the management.

z. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.3 Changes in accounting policies

A. a. The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.

b. Several other amendments and interpretations apply for the first time in April 1, 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

c. **Leases**

The Company applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. Accordingly, the comparative information presented for 2018 is not restated i.e. it is presented, as previously reported, under Ind AS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

Definition of a lease

Previously, the Company determined at contract inception whether an arrangement was or contained a lease under Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 2.3 (h). On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

As a lessee

As a lessee, the Company leases many assets including Land & Building, Office Equipment, Plant & Machinery and vehicles. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases i.e. these leases are on-balance sheet. At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price."

Leases classified as operating leases under Ind AS 17

Previously, the Company classified property leases as operating leases under Ind AS 17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at April 1, 2019. Right-of-use assets are measured at either: – their carrying amount as if Ind AS 116 had been applied since the commencement date, discounted using the Company's incremental borrowing rate at the date of initial application: the Company applied this approach to its largest property lease; or – an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments: the Company applied this approach to all other leases.

The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

For the Impact of Ind AS 116 refer note 48

B. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Appendix C to Ind AS 12 is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix C, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The appendix permits two possible methods of transition - i) Full retrospective approach – Under this approach, the appendix will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of appendix C is annual periods beginning on or after April 1, 2019, though early adoption is permitted. The Company has adopted the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The amendments had no impact on the standalone financial statements of the Company.

C. Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the standalone financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

3. PROPERTY, PLANT AND EQUIPMENT

₹ in crore

	Land - Freehold	Land - Leasehold	Building	Plant and Equipment	Laboratory Equipment	Office Equipment	Furniture, Fixtures and Equipment	Vehicles	Leasehold Improvements	Capital Work -in- Progress	Total
Cost or valuation											
At March 31, 2018	93	151	213	2,722	34	57	60	33	56	624	4,043
Additions	1	0	42	720	7	11	15	1	-	901	1,698
Disposals	-	-	(0)	(21)	(0)	(2)	(0)	(0)	-	-	(23)
Capitalised	-	-	-	-	-	-	-	-	-	(704)	(704)
At March 31, 2019	94	151	255	3,421	41	66	75	34	56	821	5,014
Additions	-	22	74	1,045	13	22	11	-	-	1,154	2,341
Disposals	-	-	(2)	(119)	(1)	(6)	(2)	-	-	-	(130)
Capitalised	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)
At March 31, 2020	**94**	**173**	**327**	**4,347**	**53**	**82**	**84**	**34**	**56**	**804**	**6,054**
Accumulated Depreciation											
At March 31, 2018	-	-	54	1,254	10	48	44	27	35	-	1,471
Depreciation (refer note 27)	-	-	9	249	4	8	8	2	4	-	284
Disposals	-	-	(0)	(16)	(0)	(2)	(0)	(0)	-	-	(18)
At March 31, 2019	-	-	63	1,487	14	54	52	29	39	-	1,737
Depreciation (refer note 27)	-	-	11	371	5	12	9	2	4	-	414
Disposals	-	-	(1)	(38)	-	(6)	(2)	-	-	-	(47)
At March 31, 2020	**-**	**-**	**73**	**1,820**	**19**	**60**	**59**	**31**	**43**	**-**	**2,104**
Net book value											
At March 31, 2020	**94**	**173**	**254**	**2,527**	**34**	**22**	**25**	**3**	**13**	**804**	**3,949**
At March 31, 2019	94	151	192	1,934	27	12	23	5	17	821	3,276

All the title deeds are in the name of the Company, except in the case of leasehold land, freehold land and buildings with a carrying value of ₹ 11 crore, ₹ 2 crore and ₹ 0 (Gross block of ₹ 11 crore, ₹ 2 crore and ₹1 crore) as at March 31, 2020 and March 31, 2019 respectively.

Net book value

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Plant, property and equipment	3,145	2,455
Capital work in progress	804	821
Total	**3,949**	**3,276**

Capital work-in-Progress

Capital work in progress as at March 31, 2020 and March 31, 2019 comprises expenditure for the plant and building in the course of construction.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

4. INTANGIBLE ASSETS

₹ in crore

	Goodwill*	Other Intangible Assets									
		Data Access Fees	Product Registrations	Product Acquisitions	Task Force Expenses	Software/ License Fees	Brands/ Trade Marks	Technical Knowhow	Germplasm	Intangible assets under development	Total
Cost or valuation											
At March 31, 2018	3,704	97	192	603	23	29	63	11	13	39	4,774
Additions	-	-	7	-	-	4	-	-	-	35	46
Disposals	-	-	-	-	-	0	-	-	-	-	0
Capitalised	-	-	-	-	-	-	-	-	-	(6)	(6)
At March 31, 2019	3,704	97	199	603	23	33	63	11	13	68	4,814
Additions	-	-	10	-	-	6	-	-	-	24	40
Disposals	-	-	-	-	-	(0)	-	-	-	-	(0)
Capitalised	-	-	-	-	-	-	-	-	-	(10)	(10)
At March 31, 2020	**3,704**	**97**	**209**	**603**	**23**	**39**	**63**	**11**	**13**	**82**	**4,844**
Amortisation											
At March 31, 2018	1,109	95	140	319	17	20	62	10	8	-	1,780
Amortisation (refer note 27)	370	1	23	40	3	3	-	-	0	-	440
At March 31, 2019	1,479	96	163	359	20	23	62	10	8	-	2,220
Amortisation (refer note 27)	370	0	21	40	3	4	-	-	0	-	438
At March 31, 2020	**1,849**	**96**	**184**	**399**	**23**	**27**	**62**	**10**	**8**	**-**	**2,658**
Net book value											
At March 31, 2020	**1,855**	**1**	**25**	**204**	**-**	**12**	**1**	**1**	**5**	**82**	**2,186**
At March 31, 2019	2,225	1	36	244	3	10	1	1	5	68	2,594

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 the overseas subsidiary companies.

Net book value

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Goodwill	1,855	2,225
Other intangible assets	249	301
Intangible assets under development	82	68
Total	**2,186**	**2,594**

***Goodwill arising on amalgamation**

Goodwill includes goodwill arising on amalgamation of Advanta Limited fully described in note 45 of the financial statements.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell.

The Company generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent managements' best estimate about future developments.

5. INVESTMENTS

₹ in crore

	As at March 31, 2020	As at March 31, 2019
A. Investment stated at Cost		
Investments in Equity Instruments		
a. Investment in Subsidiaries (unquoted)		
(i) 140,824 (March 31, 2019: 140,824) equity shares of US $ 100 each fully paid-up in UPL Corporation Limited	1,102	1,102
(ii) 3,053 (March 31, 2019: 3,053) equity shares of Euro 100 each, fully paid-up in Advanta Holdings B.V., Netherlands	171	171
(iii) 50,007 (March 31, 2019: 50,007) equity shares of ₹ 10 each fully paid-up in Shroff's United Chemicals Limited	0	0
(iv) 99,000 (March 31, 2019 : 99,000) equity shares of US$ 1 each, fully paid-up in PT Advanta Indonesia	1	1
(v) 1,000,007 (March 31,2019: 1,000,007) equity shares of ₹ 10 each fully paid-up in SWAL Corporation Limited	17	17
(vi) 1,000,000 (March 31, 2019: 1,000,000) ordinary shares of US$ 1 each, fully paid-up in Advanta Seed International, Mauritius	0	0
(vii) 1,000,000 (March 31, 2019: 1,000,000) equity shares of ₹10 each fully paid-up in Agrinet Solutions Limited	2	2
(viii) 100,000 [March 31, 2019: Nil] equity shares of ₹ 10 each fully paid-up in AFS Agtech Private Limited	0	-
b. Investment in Associates (unquoted)		
(i) 921,000 (March 31, 2019: 921,000) equity shares of ₹ 10 each fully paid-up in Chemiesynth (Vapi) Limited	0	0
(ii) 3,350,000 (March 31, 2019: 3,350,000) equity shares of ₹10 each fully paid-up in Kerala Enviro Infrastructure Limited	3	3
(iii) 48,214 (March 31, 2019: 48,214) equity shares of ₹ 10 each, fully paid-up in Weather Risk Management Services Pvt Ltd	14	14
B. Investment stated at Amortised Cost		
Investments in Government or trust securities (Unquoted)		
(i) Indira Vikas Patra [Face Value: Current Year: ₹ 0 crs [March 31, 2019: ₹ 0 crs]]	0	0
(ii) National Saving Certificates [Face Value: Current Year: ₹ 0 crs [March 31, 2019: ₹ 0 crs]]	0	0
C. Investments stated at Fair Value through OCI		
Investments in Equity Instruments (Quoted)		
(i) 28,100 (March 31, 2019: 28,100) equity shares of ₹10 each fully paid-up in Gujarat State Financial Corporation	0	0
(ii) 50,000 (March 31, 2019: 50,000) equity shares of ₹10 each fully paid-up in Nivi Trading Limited	0	0
(iii) 41,150 (March 31, 2019: 41,150) equity shares of ₹10 each fully paid-up in Transpek Industry Limited	5	5
(iv) 5,307 (March 31, 2019: 5,307) equity shares of ₹10 each fully paid-up in IDFC Limited	0	0
(v) 5,307 (March 31, 2019: 5,307) equity shares of ₹10 each fully paid-up in IDFC Bank Limited.	0	0
(vi) 17,990 (March 31, 2019: 17,990) equity shares of ₹2 each fully paid-up in Bank of Baroda Limited	0	0
D. Investments stated at Fair Value through Profit and Loss		
a. Investments in Optionally Convertible Bonds (Unquoted)		
Nil (March 31, 2019: 6,855) Optionally Convertible Bonds of ₹1,00,000 each in Tatva Global Environment Private Limited	-	83
725,000 (March 31, 2019: Nil) Optionally Convertible Bonds All Fresh Supply Management Private Limited	7	-
b. Investment in Others (unquoted)		
(i) 10,000 (March 31, 2019:10,000) equity shares of ₹10 each fully paid-up in Janakalyan Sahakari Bank Limited	0	0

Notes to Standalone Financial Statements
for the year ended March 31, 2020

5. INVESTMENTS (Contd.)

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(ii) 1,000,000 (March 31, 2019: 1,000,000) equity shares of ₹10 each fully paid-up in Uniphos International Limited	4	0
(iii) 45,000 (March 31, 2019: 45,000) equity shares of ₹10 each fully paid-up in Bloom Packaging Private Limited	1	1
(iv) 19,025 (March 31, 2019: 19,025) equity shares of ₹10 each fully paid-up in Bench Bio Private Limited	1	1
(v) 240,000 (March 31, 2019: 240,000) equity shares of ₹ 10 each fully paid-up in UPL Investment Private Limited	2	2
(vi) 57 [March 31, 2019: 57] equity shares of 1 Rand each fully paid-up in Cropserve [PTY] Limited	0	0
(vii) 3,757,570 [March 31, 2019: 3,435,070] equity shares of ₹10 each fully paid-up in Narmada Clean Tech Limited	7	3
(viii) 3,687 [March 31, 2019: Nil] equity shares of ₹ 10 each fully paid-up in All Fresh Supply Management Private Limited	2	-
E. Investment in Others		
United Phosphorus (India) LLP - Capital Contribution in LLP	67	35
United Phosphorus (Global) LLP	0	0
Total Non-Current Investments	**1,406**	**1,441**
Aggregate book value and market value of quoted investments	5	5
Aggregate amount of unquoted investments	1,401	1,436
Impairment of investments	-	-

Impairment of Investments

Investment at fair value through profit and loss (fully paid) reflect investment in debt instruments and unquoted equity securities. Refer note 39 for determination of their fair values.

Investment at fair value through OCI (fully paid) reflect investment in quoted equity securities. Refer note 39 for determination of their fair values.

Extent of equity interest in subsidiaries and associates

Name and country of incorporation	% of equity interest As at March 31, 2020	As at March 31, 2019
A. SUBSIDIARIES		
UPL Corporation Limited	78%	78%
Advanta Holdings B.V., Netherlands	78%	78%
PT Advanta Indonesia	78%	78%
SWAL Corporation Limited, India	100%	100%
Advanta Seed International, Mauritius	78%	78%
Agrinet Solutions Limited, India	50%	50%
Shroffs United Chemicals Limited, India	100%	100%
AFS Agtech Private Limited	100%	-
B. ASSOCIATES		
Chemiesynth (Vapi) Limited, India	30%	30%
Kerala Enviro Infrastructure Limited, India	28%	28%
Weather Risk Management Services Pvt Ltd, India	32%	32%

5A. Non-Current Assets held-for-sale

₹ in crore

	As at March 31, 2020	As at March 31, 2019
INVESTMENTS IN OPTIONALLY CONVERTIBLE BONDS (UNQUOTED)		
2,060 (March 31, 2019: Nil) Optionally Convertible Bonds of ₹1,00,000 each in Tatva Global Environment Private Limited	26	-
Total Non Current Assets held-for-sale	**26**	**-**

6. LOANS

₹ in crore

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(A) Security Deposits				
a. Unsecured, Considered good				
- to related parties (refer note 36)	5	11	-	-
- to other than related parties	59	65	-	-
b. Unsecured, Considered doubtful	2	2	-	-
Less: Impairment allowance for security deposit	(2)	(2)	-	-
	64	**76**	**-**	**-**
(B) Loans and advances to related parties (refer notes 32 and 36)				
a. Unsecured, Considered good	-	-	-	77
	-	**-**	**-**	**77**
(C) Loans to employees				
a. Unsecured, Considered good	-	-	2	2
	-	**-**	**2**	**2**
(D) Sundry loans				
Unsecured, Considered doubtful	2	2	-	-
Less: Impairment allowance for sundry loans	(2)	(2)	-	-
	-	**-**	**-**	**-**
Total loans	**64**	**76**	**2**	**79**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company.

7. OTHER FINANCIAL ASSETS

₹ in crore

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(A) Interest receivable				
a. Unsecured, considered good				
- from related party (refer note 36)	-	-	0	0
- from other than related parties	-	-	7	7
Unsecured, considered doubtful from other than related parties	-	-	0	0
Less: Impairment allowance for interest receivable	-	-	(0)	(0)
	-	**-**	**7**	**7**
(B) Receivables from related parties (refer note 36)				
a. Unsecured, considered good	-	-	75	115
	-	**-**	**75**	**115**

7. OTHER FINANCIAL ASSETS (Contd.)

₹ in crore

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(C) Export Benefits receivables				
Unsecured, Considered good	35	35	159	121
	35	**35**	**159**	**121**
(D) Other receivables				
Unsecured, considered doubtful	-	-	2	2
Less: Impairment allowance for other receivables	-	-	(2)	(2)
	-	**-**	**-**	**-**
Total Other Financial Assets	**35**	**35**	**241**	**243**

8. OTHER ASSETS

₹ in crore

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(a) Capital advances	75	22	-	-
(b) Statutory receivables	65	159	643	1,015
(c) Prepaid expense	-	-	43	35
(d) Other advances	-	-	91	81
Total other assets	**140**	**181**	**777**	**1,131**

9. INVENTORIES

(Valued at lower of cost and net realisable value)

	As at March 31, 2020	As at March 31, 2019
a. Raw materials and components [includes goods in transit: ₹ 14 crore (March 31, 2019: ₹ 23 crore)]	444	760
b. Work-in-progress	170	175
c. Finished goods	565	769
d. Stock in trade [includes goods in transit: ₹ 2 crore (March 31, 2019: ₹ 8 crore)]	38	80
e. Store and spares [including fuel]	63	48
f. Packing material	29	30
g. By products	7	4
Total Inventories	**1,316**	**1,866**

Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit and loss as an expense is ₹ 12 crore (March 31, 2019: ₹ 6 crore).

10. TRADE RECEIVABLES

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
- from related parties	2,097	1,808
- from others	1,064	925
Trade receivables which have significant increase in Credit Risk		
- from others	120	108
Trade Receivables - credit impaired		
- from others	(120)	(108)
Total trade receivables	**3,161**	**2,733**

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for the year ended March 31, 2020

10. TRADE RECEIVABLES (Contd.)

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows :

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Opening balance	108	77
Provision for the year	33	32
Write-off	(21)	(1)
	120	108

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. There are no trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 36.

Certain trade receivables are interest bearing. Trade receivables are generally on terms of 45 to 270 days.

For explanations on Company's Credit risk management process, refer note 41.

11. CASH AND CASH EQUIVALENTS

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- Current accounts	136	77
- Cash on hand	2	0
Total cash and cash equivalents	138	77

11A. OTHER BANK BALANCES

₹ in crore

	As at March 31, 2020	As at March 31, 2019
- Unclaimed dividend accounts	8	8
- Margin money deposit **	16	14
- Deposits with original maturity for more than 3 months but less than 12 months	1	1
Total other bank balances	25	23

** Margin money deposits given as security against bank guarantees.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

₹ in crore

	As at March 31, 2020	As at March 31, 2019
BALANCES WITH BANKS:		
- Current accounts	136	77
- Cash on hand	2	0
Total cash and cash equivalents	138	77

12. SHARE CAPITAL

Authorised Share Capital

	Equity Shares of ₹ 2 each		Preference Shares of ₹ 100 each	
	No.	₹ in crore	No.	₹ in crore
At March 31, 2018	1,23,75,00,000	248	22,95,00,000	230
Increase/(decrease) during the year	-	-	-	-
At March 31, 2019	1,23,75,00,000	248	22,95,00,000	230
Increase/(decrease) during the year	-	-	-	-
At March 31, 2020	1,23,75,00,000	248	22,95,00,000	230

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Issued equity capital

Equity shares of ₹ 2 each issued, subscribed and fully paid-up

	No.	₹ in crore
At March 31, 2018	50,93,33,081	102
Increase/(decrease) during the year due to		
ESOP Allotments	9,589	0
At March 31, 2019	50,93,42,670	102
Increase/(decrease) during the year due to		
ESOP Allotments	31,451	0
Issue of Bonus shares	25,46,71,335	51
At March 31, 2020	76,40,45,456	153

Terms / rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 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 March, 2020, the amount of per share dividend proposed as distributions to equity shareholders is ₹ 6 (March, 2019: ₹ 8)

Equity shares movement during the 5 years preceding March 31, 2020

A. **Equity shares allotted as bonus shares, for consideration without cash pursuant to contract and shares bought back during the 5 years preceding March 31, 2020**

Equity shares issued as bonus

The Company allotted 254,671,335 equity shares as fully paid up bonus shares on July 4, 2019 by utilising capital redemption reserve amounting to ₹ 38 crore and Securities premium amounting to ₹ 13 crore, pursuant to an ordinary resolution passed after taking the consent of shareholders.

The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

B. **Conversion of Compulsory convertible preference share (CCPS) and optionally convertible preference share (OCPS)**

During the year ended March 31, 2018, the Company has allotted 2,224,287 on conversion of Compulsory convertible preference share (CCPS) and optionally convertible preference share (OCPS).

Details of shareholders holding more than 5% shares in the company

Name of the shareholder

	As at March 31, 2020		As at March 31, 2019	
Equity shares of ₹ 2 each fully paid	No. in crore	% holding in the class	No. in crore	% holding in the class
Nerka Chemicals Private Limited	15	20.11%	10	20.10%
Uniphos Enterprises Limited	4	5.05%	3	5.06%
Life Insurance Corporation of India	5	5.98%	1	1.41%

As per the 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.

There are 42,353,062 (March 31, 2019: 42,353,062) underlying equity shares of the Company in respect of GDR's traded on Luxemburg Stock Exchange and against conversion of each GDR ten equity shares were issued.

Notes to Standalone Financial Statements
for the year ended March 31, 2020

12. SHARE CAPITAL (Contd.)

12A. Distribution made & proposed

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2019: ₹ 8 per share (March 31, 2018: ₹ 8 per share)	407	407
Proposed dividends on equity shares:		
Proposed cash dividend for the year ended March 31, 2020: ₹ 6 per share (March 31, 2019: ₹ 8 per share)	458	407

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at the year end.

12B. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company (refer note 34)

13. OTHER EQUITY

(i) Securities premium

	₹ in crore
At March 31, 2018	4,607
Increase/(decrease) during the year	-
At March 31, 2019	**4,607**
decrease during the year on issue of bonus shares	(13)
At March 31, 2020	**4,594**

(ii) Retained earnings

	₹ in crore
At March 31, 2018	1,143
Add: Profit for the year	405
Add: Re-measurement gains (losses) on defined benefit plans	3
Add: Transfer from debenture redemption reserve	1
Less: Appropriations:	
Dividend on Equity Shares	(407)
At March 31, 2019	**1,145**
Add: Profit for the year	461
Add: Re-measurement gains (losses) on defined benefit plans	(1)
Add: Transfer from debenture redemption reserve	-
Less: Appropriations:	
Dividend on Equity Shares	(407)
At March 31, 2020	**1,198**

(iii) Other reserves

Capital redemption reserve

	₹ in crore
At March 31, 2018	38
Increase/(decrease) during the year	-
At March 31, 2019	38
decrease during the year on issue of bonus shares	(38)
At March 31, 2020	**-**

Notes to Standalone Financial Statements
for the year ended March 31, 2020

13. OTHER EQUITY (Contd.)

Capital reserve

	₹ in crore
At March 31, 2018	86
Increase/(decrease) during the year	-
At March 31, 2019	**86**
Increase/(decrease) during the year	-
At March 31, 2020	**86**

Debenture redemption reserve

	₹ in crore
At March 31, 2018	141
Add: Amount transferred from retained earnings	(1)
At March 31, 2019	**140**
Less: Amount transferred to retained earnings	-
At March 31, 2020	**140**

Share based payment reserve

	₹ in crore
At March 31, 2018	0
Increase/(decrease) during the year	0
At March 31, 2019	0
Increase/(decrease) during the year	0
At March 31, 2020	**0**

General reserve

	₹ in crore
At March 31, 2018	1,848
Increase/(decrease) during the year	-
At March 31, 2019	1,848
Increase/(decrease) during the year	-
At March 31, 2020	**1,848**

Equity Instruments through Other Comprehensive Income

	₹ in crore
At March 31, 2018	5
Increase/(decrease) during the year	1
At March 31, 2019	6
Increase/(decrease) during the year	(1)
At March 31, 2020	**5**

Retained Earnings - The amounts represent profits that can be distributed by the Company as dividends to its equity shareholder.

Securities Premium - Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserve". The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and can use this reserve for buy-back of shares.

Capital Redemption Reserve - Capital Redemption Reserve was created for buy-back of shares and can be utilised for issuance of fully paid up bonus shares.

Capital Reserve - The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

13. OTHER EQUITY (Contd.)

Debenture Redemption Reserve (DRR) - The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

Share Based Payment Reserve - The Company has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees as part of their remuneration. Refer to note 34 for further details of the scheme.

General Reserve - General reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend subject to compliance with declaration of dividend out of reserve rules and issue of fully paid-up and not paid-up bonus shares.

Equity Instruments through Other Comprehensive Income (OCI) - Equity Instruments through OCI includes remeasurements of defined benefit liability / asset comprises of actuarial gain and losses and return on plan assets (excluding interest income).

Other reserves

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Capital Redemption Reserve	-	38
Capital Reserve	86	86
Debenture Redemption Reserve	140	140
Share based payment reserve	0	0
General Reserve	1,848	1,848
Equity Component of convertible preference shares	-	-
Equity Instruments through Other Comprehensive Income	5	6
Total other reserves	**2,079**	**2,118**

14. BORROWINGS

Non-current Borrowings

₹ in crore

Particulars	Effective interest Rate	Maturity	As at March 31, 2020	As at March 31, 2019
Debentures				
Unsecured Redeemable non convertible debentures (NCDs) (Refer note a below) (Face value of ₹ 1,000,000 each)	10.58% to 10.85%	2021-2026	458	458
Current maturities of Non- current Debentures			33	273
Total Non-current Borrowings			**491**	**731**
Less: Amount clubbed under "other current financial liabilities" (refer note 15)			(33)	(273)
Net Non-current Borrowings			**458**	**458**
Aggregate unsecured loans (non-current)			458	458

Current Borrowings

₹ in crore

Particulars	Maturity	As at March 31, 2020	As at March 31, 2019
Loans repayable On demand			
Cash credit, packing credit and working capital demand loan accounts from Banks			
- Secured (in the range of 7.75% to 8.45% p.a) (Refer note b below)	On demand	251	0
- Unsecured (6 months LIBOR+48 to 85bps,1month GSEC+5bps) (Refer note c below)	On demand	288	507
Unsecured Commercial papers from Banks and others (Refer note d below)	74-90 days	-	400
Total current Borrowings		**539**	**907**
Aggregate Secured loans (current)		251	0
Aggregate Unsecured loans (current)		288	907

a. **Unsecured redeemable non-convertible debentures (NCD's)**
   i) The current maturities of long term borrowings include ₹ 33 crore (March 31, 2019: ₹ 48 crore) pertaining to interest accrued but not due on account of recognition of debentures at amortised cost as per EIR method.
   ii) NCDs of face value amounting to ₹ 150 crore (March 31, 2019: ₹ 300 crore) have been issued and are redeemable at par at the end of 10th year ₹ 150 crore i.e June, 2022 from the date of allotment. Out of the above, NCDs amounting to ₹ 90 crore have been bought back by the Company.
   iii) NCDs of face value amounting to ₹ 250 crore (March 31, 2019: ₹ 250 crore) 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.
   iv) NCDs of face value aggregating to ₹ 150 crore (March 31, 2019: ₹ 225 crore) have been issued under three series and are redeemable at par of ₹ 75 crore each at the end of 12th year and 11th year i.e. October 2022 and October 2021 respectively from the date of allotment.
   v) NCDs mentioned above carry a coupon rate ranging from 10.40% to 10.70%.

b. **Secured Loan repayable on demand from Banks**
   Outstanding loan is secured by hypothecation of inventories, bills receivables, book debts and all movable assets of the Company both present and future, wherever situated.

c. **Unsecured loans repayable on demands**
   Unsecured loans repayable on demands outstanding as of ₹ 288 cr for the current year (March 31, 2019 : ₹ 507 cr)

d. **Unsecured Commercial papers from Banks and others**
   Commercial paper outstanding of ₹ Nil for the current year (March 31, 2019 : ₹ 400 cr)

15. OTHER FINANCIAL LIABILITIES

₹ in crore

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Other financial liabilities carried at amortised Cost				
Current maturities of long-term borrowings (note 14a)	-	-	33	273
Trade Deposits	-	-	46	43
Creditors for capital goods	-	-	177	67
Interest accrued on borrowings	-	-	1	1
Unpaid dividend	-	-	8	8
Lease liabilities	-	-	31	-
Others	3	4	105	37
Total other financial liabilities	**3**	**4**	**401**	**429**

Notes to Standalone Financial Statements

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16. OTHER CURRENT LIABILITIES

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Advances from customers (refer note 36)	707	1,135
Statutory liabilities	20	9
Other liabilities	2	2
Total other current liabilities	**729**	**1,146**

17. TRADE PAYABLES

Outstanding dues of micro and small enterprises

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Trade payables	64	26
	64	**26**

18. TRADE PAYABLES

Outstanding dues of other than micro and small enterprises

₹ in crore

	As at March 31, 2020	As at March 31, 2019
- Outstanding dues of other than micro and small enterprises	3,233	2,791
	3,233	**2,791**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90-360 days terms

For explanations on the Company's credit risk management processes, refer note 41

19. INCOME TAX

a) The major components of income tax expense for the year are as under:

i) Income tax expenses recognised in the statement of profit and loss:

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax:		
In respect of current year	55	83
Adjustments of tax relating to earlier years	-	(3)
Deferred tax:		
In respect of current year	22	1
	77	**81**

ii) Income tax expenses recognised in OCI:

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax expenses on remeasurement of defined benefit plan	0	2
Deferred tax expenses on remeasurement of equity instruments through other comprehensive income	0	0
	0	**2**

b) Reconciliation of tax expense and the accounting profit for the year is as under:

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Accounting profit before income tax	538	486

Notes to Standalone Financial Statements

for the year ended March 31, 2020

19. INCOME TAX (Contd.)

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Statutory income tax rate of 34.944%	188	170
Dividend Income from Subsidiary	(150)	(144)
Profit on sale of investment to be taxed separately	-	(15)
Additional deduction on expenditure on Research & Development	(14)	(11)
Amortisation of goodwill in books considered as not deductible in provision for tax	129	128
Agricultural Income exempt from tax	(60)	(33)
Others	(16)	(11)
Adjustments of tax relating to earlier years	-	(3)
Income tax expense reported in the statement of profit and loss	**77**	**81**

On December 12, 2019, vide The Taxation Laws (Amendment) Act, 2019 ('the Act'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 1, 2019, subject to certain conditions. The Company has evaluated the impact the Ordinance will have on its current and future taxable income till financial year 2026-27. Basis the said evaluation, the Company has decided not to avail the choice of the reduced tax rate in the foreseeable future.

c) Deferred tax:

The major components of deferred tax assets/ (liabilities) arising on account of temporary difference are as follows:

₹ in crore

	Balance Sheet		Statement of profit and loss	
	As at March 31, 2020	As at March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Accelerated depreciation for tax purposes	(296)	(225)	71	20
Unsecured Redeemable non convertible debentures carried at amortised cost	(0)	(1)	(1)	2
Minimum alternate tax credit	47	81	35	(18)
Minimum alternate tax credit utilisation	-	-	(76)	-
Provision for doubtful debts and advances	57	53	(4)	(11)
Gratuity	11	9	(2)	(1)
Compensated absences	34	27	(7)	(3)
Unwinding of interest cost of trade payables	(19)	(13)	6	10
Transition impact of Ind AS 116	3	-	(3)	
Others	(1)	1	2	2
Net deferred tax assets/(liabilities)	**(165)**	**(67)**	**-**	**-**
Deferred tax expense/(income)			**22**	**1**

Reflected in the balance sheet as follows:

₹ in crore

	Balance Sheet	
	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	170	171
Deferred tax liabilities:	(335)	(238)
Deferred tax liabilities, net	**(165)**	**(67)**

Reconciliation of deferred tax liabilities (net):

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Opening balance as of 1 April	(67)	(64)

Notes to Standalone Financial Statements

for the year ended March 31, 2020

19. INCOME TAX (Contd.)

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Tax income/(expense) during the year recognised in profit or loss	(22)	(1)
Tax income/(expense) during the year recognised in OCI	(0)	(2)
Minimum alternate tax credit utilisation	(76)	-
Closing balance as at 31 March	**(165)**	**(67)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Given that the Company does not have any intention to dispose investments in subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised. Similarly, the Company does not have any intention to dispose of its free hold and lease hold land in the foreseeable future, therefore, deferred tax asset on indexation benefit in relation to these assets has not been recognised.

20. PROVISIONS

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Net employee defined benefit liabilities		
Gratuity (refer note 33)	32	26
Compensated absences(refer note below)	98	77
Total Provisions	**130**	**103**

Movement in provisions

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Opening	77	68
Arising during the year	21	9
Utilised	-	-
Closing	**98**	**77**

21. REVENUE FROM OPERATIONS

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products	9,468	8,470
Sale / rendering of services		
Job-work income	-	28
Management service fees	26	18
Others	1	1
Other operating revenues	-	-
Export Incentives	86	80
Refund of statutory receivable	10	10
Excess provisions in respect of earlier years written back (net)	2	10
Royalty income	38	36
Miscellaneous receipts	10	7
Total Revenue from operations	**9,641**	**8,660**

Disclosure under Ind AS 115 - Revenue from contracts with customers

Disaggregation of revenue from contracts with customers

Notes to Standalone Financial Statements

for the year ended March 31, 2020

21. REVENUE FROM OPERATIONS (Contd.)

a. The management determines that the segment information reported under Note 47 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

b. The Company's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270 days.

c. Contract balances

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Trade receivables (refer note 10)	3,161	2,733
Advance from customers (refer note 16)	707	1,135

d. Reconciliation of revenue from contract with customers with contracted price

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customer as per the contract price	10,620	9,558
Adjustments made to contract price on account of :-		
Discounts / Rebates (refer note below)	(495)	(399)
Sales returns (refer note below)	(619)	(625)
Revenue from contract with customer	9,506	8,534
Sale of services	27	19
Other operating revenue	108	107
Revenue from operations	**9,641**	**8,660**

Discounts / Rebates / Incentives

The Company issues multiple discount schemes to its customers in order to capture market share. The Company makes a provision for the discount it expects to give to its customers based on the terms of the schemes. Revenue is adjusted for the expected value of discount to be given

Sales returns

The Company recognises a provision based on the previous history of sales return. Revenue is adjusted for the expected value of return.

22. OTHER INCOME

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
INTEREST INCOME ON		
Bank deposits	1	1
Loans and others	24	64
DIVIDEND INCOME ON		
Long-term investments in subsidiary (refer note 36)	429	412
OTHER NON-OPERATING INCOME		
Fair value gain/(loss) on financial instruments at fair value through profit or loss	12	7
Rent received	8	8
Profit on sale of assets (net)	0	0
Profit on sale of investments	-	46
Sundry credit balances written back (net)	-	2
Share in profit from investment in LLP	32	19
Miscellaneous income	0	1
Total other income	**506**	**560**

Notes to Standalone Financial Statements
for the year ended March 31, 2020

23. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Inventory at the beginning of the year	760	519
Add: Purchases	4,389	4,982
	5,149	5,501
Less: inventory at the end of the year	444	760
Cost of raw material and components consumed	4,705	4,741

24. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-PROGRESS

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Finished goods	565	769
By-products	7	4
Work-in-progress	170	175
Traded goods	38	80
	780	1,028
Inventories at the beginning of the year		
Finished goods	769	638
By-products	4	3
Work-in-progress	175	147
Traded goods	80	80
	1,028	868
Decrease/ (Increase) in inventory	248	(160)

25. EMPLOYEE BENEFIT EXPENSES

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	521	435
Contribution to provident and other funds (refer note 33)	44	40
Retirement benefits (refer note 33)	29	16
Staff welfare expenses	52	60
	646	551

26. FINANCE COSTS

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Interest:		
- On Debentures	56	77
- On Current borrowings	63	47
- On lease liabilities	14	-
Exchange Difference (net)	27	(55)
(Gain)/Loss on Derivatives Instruments	-	50
Unwinding of interest cost on trade payables	89	54
Other financial charges	23	12
	272	185

Notes to Standalone Financial Statements
for the year ended March 31, 2020

27. DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property plant and equipment's	414	284
Depreciation of Right of Use Assets	39	-
Amortisation of intangible assets	438	440
	891	724

28. OTHER EXPENSES

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Power and fuel	386	337
Containers & packing materials consumed	279	310
Transport charges	224	217
Sub-contracting expenses	328	330
Sales commission	12	44
Rent	49	97
Effluent disposal charges	111	94
Travelling and conveyance	100	85
Advertising and sales promotion	99	84
Legal and professional fees	80	83
Consumption of stores and spares	85	69
Repairs and maintenance		
Plant and machinery	46	36
Buildings	4	4
Others	24	30
Rates and taxes	29	8
Exchange differences (net)	40	63
Charity and donations [(includes ₹ 40 crore (March 31, 2019: ₹ 18 crore) paid for political purpose)]	52	29
CSR expenses (Refer note 46)	16	18
Insurance	23	14
Allowances for doubtful debts (net)	33	31
Assets written off	4	5
Payment to auditor (Refer details below)	4	3
Directors' sitting fees	0	0
Miscellaneous expenses	202	177
	2,230	2,168

Payment to auditor

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Audit fee	4	3
Other services (certification fees)*	0	0
Reimbursement of expenses*	0	0
	4	3

* Amount less than a crore

29. RESEARCH AND DEVELOPMENT COSTS

Research and Development costs, as certified by the management

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
a) Revenue expenses debited to appropriate heads of account.	110	101
b) Capital Expenditure	12	12

Notes to Standalone Financial Statements

for the year ended March 31, 2020

30. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI), NET OF TAX

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

₹ in crore

	Year ended March 31, 2020			Year ended March 31, 2019		
	FVTOCI reserve	Retained earnings	Total	FVTOCI reserve	Retained earnings	Total
Re-measurement gains (losses) on defined benefit plans	-	(1)	(1)	-	3	3
Gain/(loss) on FVTOCI financial assets	(1)	-	(1)	1	-	1
	(1)	(1)	(2)	1	3	4

31. EARNINGS PER SHARE (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit attributable to equity holders for basic earnings (₹ crore)	461	405
Weighted average number of Equity shares for basic EPS*	76,40,29,270	76,40,13,322
Effect of dilution:		
Convertible preference shares	-	-
Employee Stock options	-	81,587
Weighted average number of Equity shares adjusted for the effect of dilution *	76,40,29,270	76,40,94,909
Earnings per equity share (in Rupees)		
Basic (Face value of ₹ 2 each)	6.03	5.30
Diluted (Face value of ₹ 2 each)	6.03	5.30

* There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

32. DETAILS OF LOANS & INVESTMENT AS REQUIRED U/S 186 OF COMPANIES ACT, 2013

₹ in crore

	As at March 31, 2020		As at March 31, 2019	
	Loan given	Outstanding	Loan given	Outstanding
Loan given to subsidiaries for working capital / business operations				
SWAL Corporation Limited	95	-	77	77

Rate of interest charged on loans given in ₹ is 13% p.a and in case of foreign currency loan at 6 months LIBOR +200 to 250 bps.

Investments

Details required u/s 186 have been disclosed in note 5 of the financial statements.

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Gratuity Plan	32	26

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Notes to Standalone Financial Statements

for the year ended March 31, 2020

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLAN (Contd.)

The amounts recognised in the statement of profit and loss are as follows:

(i) Defined Benefit Plan

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	8	11
Interest cost on benefit obligation	4	4
Return on plan assets	(2)	(2)
Amount included under the head Employee Benefit Expense in Note 25	10	13
Actuarial changes arising from changes in financial assumptions	(1)	(1)
Remeasurements recognised in Other Comprehensive Income(OCI)	(1)	(1)
Total Expenses recognised in the statement of Profit & Loss	9	12
Actual return on plan assets	2	2

(ii) Defined Contribution Plan

₹ in crore

	Provident Fund	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost included under the head Employee Benefit Expense in Note 25	21	18

₹ in crore

	Superannuation Fund	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost included under the head Employee Benefit Expense	9	9

The amounts recognised in the Balance Sheet are as follows:

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Present value of funded obligation	63	55
Less: Fair value of plan assets	31	29
Net Liability	32	26

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

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	55	51
Interest cost	4	4
Current service cost	8	11
Benefits paid	(5)	(5)
Actuarial changes arising from changes in financial assumptions/experience adjustments	1	(6)
Closing defined benefit obligation	63	55

Notes to Standalone Financial Statements

for the year ended March 31, 2020

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLAN (Contd.)

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

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Opening fair value of plan assets	29	28
Return on plan assets	2	2
Benefits paid	(0)	(0)
Actuarial gains and (losses)	(1)	(1)
Closing fair value of plan assets	**30**	**29**

Expected contribution to defined benefit plan for the year 2020-21

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Expected contribution to defined benefit plan	32	27

Expected Benefit Payments in Future Years

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Year 1	10	10
Year 2	6	5
Year 3	6	6
Year 4	5	5
Year 5	5	5
Year 6 to 10	63	9

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

₹ in crore

	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Investments with insurer under:	%	%
Funds managed by insurer	100	100

The principal actuarial assumptions at the Balance Sheet date.

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	6.80%	7.70%
Return on plan assets	6.80%	7.70%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Annual increase in Salary costs	7.50%	7%
Attrition Rate	8%	8%

Notes to Standalone Financial Statements

for the year ended March 31, 2020

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLAN (Contd.)

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

₹ in crore

	1% increase	1% decrease
Impact on defined benefit obligation		
Discount rate	(4)	4
Future salary increases	4	(4)
Withdrawal rate	(0)	0

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

34. SHARE BASED PAYMENT

During the year ended March 31, 2020, the following employee stock option plan (ESOPs) were in existence. The relevant details of the scheme and the grant are as follows:

A. Employees stock option and share plan 2006

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on September 20, 2006 which provides for a grant of 840,000 options (each option convertible into share) to employees.

	March 31, 2020	March 31, 2019
Number of options granted (net of options lapsed)	5,08,390	5,08,390
Method of settlement (Cash/Equity)	Equity	Equity
Vesting period	Spread over 4 years and 6 months	Spread over 4 years and 6 months
Contractual life of options	10 years	10 years

The details of the activity have been summarised below

(No. of equity shares)

	March 31, 2020	March 31, 2019
Outstanding at the beginning of the year	16,500	16,500
Exercisable at the beginning of the year	16,500	16,500
Forfeited during the year	-	-
Exercised during the year	-	-
Vested during the year	-	-
Expired during the year	16,500	-
Outstanding at the end of the year	-	16,500
Exercisable at the end of the year*	-	16,500
Weighted average remaining contractual life (in years)	2.91	2.91

Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2020	March 31, 2019
Weighted average share price/market price	68.75	68.75
Exercise price (₹ per share)	57.00	57.00
Expected volatility	64.49%	64.49%
Life of the options granted (vesting and exercise period) in years	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%
Expected dividends	0.30% per annum	0.30% per annum
Average risk-free interest rate	8.04% per annum	8.04% per annum

34. SHARE BASED PAYMENT (Contd.)

B. Employees stock option plan (ESOP) 2013

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on December 3, 2013 which provides for a grant of 1,300,000 options (each option convertible into share) to employees.

Particulars	March 31, 2020		
Dates of grant	30-Jan-14	27-May-14	27-May-14
Dates of board approval	30-Jan-14	27-May-14	27-May-14
Date of shareholders approval	03-Dec-13	03-Dec-13	03-Dec-13
Number of options granted	7,11,752	35,000	35,000
Method of settlement (Cash / Equity)	Equity	Equity	Equity
Vesting period	Spread over 4 years		
Exercise period	60 months from the date of grant		

The details of the activity have been summarised below

Particulars	March 31, 2020	March 31, 2019
Outstanding at the beginning of the year	5,629	14,676
Exercisable at the beginning of the year	4,222	13,269
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	9,047
Vested during the year	-	-
Expired during the year	5,629	-
Outstanding at the end of the year	-	5,629
Exercisable at the end of the year*	-	4,222
Weighted average remaining contractual life (in years)	0.32	0.32

For options exercised during the current period, the weighted average share price at the exercise date was ₹ Nil (March 31, 2019: ₹ 756.33).

Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020	March 31, 2019
Weighted average share price/market price (₹ per share)	112.81	112.81
Exercise price (₹ per share)	Grant 1 ₹ 103.80 Grant 2 ₹ 262.75 Grant 3 ₹ 319.70	Grant 1 ₹ 103.80 Grant 2 ₹ 262.75 Grant 3 ₹ 319.70
Expected volatility	49.17%	49.17%
Life of the options granted (vesting and exercise period) in years	Vesting period + 6 months	Vesting period + 6 months
Expected dividends	0.00%	0.00%
Average risk-free interest rate	8.71% per annum	8.71% per annum

*Eligible Employees holding 1 Option shall be entitled to purchase 1.06 new equity shares as per the scheme of amalgamation.

C. Employees stock option plan (ESOP) 2017

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on July 8, 2017 which provides for a grant of 2,500,000 options (each option convertible into share) to employees.

Particulars	March 31, 2020	March 31, 2019
Dates of grant	25-Jan-18	25-Jan-18
Dates of board approval	25-Jan-17	25-Jan-17
Number of options granted	60,000	60,000
Method of settlement (Cash / Equity)	Equity	Equity
Vesting period	Spread over 2 years	Spread over 2 years
Contractual life of Option	5 years	5 years

34. SHARE BASED PAYMENT (Contd.)

Vesting conditions	Grant Date	Number of Options	Contractual life of Options
1 year from grant date	25-Jan-18	20,000	4 years
2 years from grant date	25-Jan-18	40,000	5 years

The details of the activity have been summarised below

Particulars	March 31, 2020	March 31, 2019
Outstanding at the beginning of the year	60,000	60,000
Exercisable at the beginning of the year	22,500	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	22,500	-
Vested during the year	-	20,000
Expired during the year	37,500	-
Outstanding at the end of the year	-	60,000
Exercisable at the end of the year*	-	22,500
Weighted average remaining contractual life (in years)	3.49	3.49

For options exercised during the current period, the weighted average share price at the exercise date was ₹ 522.67.

Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020	March 31, 2019
Weighted average share price/market price (₹ per share)	824	824
Exercise price (₹ per share)	784	784
Expected volatility	21.49%	21.49%
Life of the options granted (vesting and exercise period) in years	2 to 3.25 years	2 to 3.25 years
Expected dividends	-	-
Average risk-free interest rate	7.22% per annum	7.22% per annum

D. Effect of the employee option plan on the Statement of Profit and Loss and on its financial position

₹ in crore

	March 31, 2020	March 31, 2019
Total employee compensation cost pertaining to stock option plan	-	1
Liability for employee stock option plan outstanding as at the year end	-	1

35. COMMITMENTS AND CONTINGENCIES

a. Commitments

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	386	249

b. Contingent liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Disputed Income-Tax Liability (excluding interest)	33	26
Disputed Excise Duty / Service Tax liability (excluding interest)	188	196
Disputed Sales Tax liability	20	31
Disputed Custom Duty liability	22	34
Disputed Fiscal Penalty for cancellation of licenses	33	33
Claims against the Company not acknowledged as debts	3	4

35. COMMITMENTS AND CONTINGENCIES (Contd.)

c. A competitor had filed a litigation against a USA subsidiary of the Company and the Company for infringement of patent, loss of profits and unjust enrichment. On October 11, 2019 a jury in the United States federal district court in Delaware rendered a verdict against the Company and its USA subsidiary, in favour of the competitor for an aggregate amount of approximately US$ 31 million (approximately ₹ 220 crore). While the USA subsidiary will seek to remedy the adverse decision of the jury, this amount has been provided for an exceptional item in the consolidated statement of profit and loss.

d. Pursuant to the judgment of the Supreme Court of India on February 28, 2019 regarding the allowances to be considered for computing Provident Fund liability, certain components of compensation hitherto excluded from PF need to be included. There are interpretative challenges in application of the judgment retrospectively and the Company has been legally advised that the judgment would be applicable prospectively. The financial statements disclose a contingent liability in this regard. No provision has been made for the year ended March 31, 2020 and for the period from February 28 to March 31, 2019 as the same is not material.

36. RELATED PARTY TRANSACTIONS

(a) Names of the related parties where control exists irrespective of whether transactions have occurred or not

(i) Name of the Subsidiary Companies:

Sr. No.	Name	Country of incorporation/ Principal place of business	Notes
1	Shroffs United Chemicals Limited	India	
2	SWAL Corporation Limited	India	
3	United Phosphorus (India) LLP	India	
4	United Phosphorus Global LLP	India	
5	Optima Farm Solutions Limited	India	
6	UPL Europe Limited	United Kingdom	
7	UPL Deutschland GmbH	Germany	$$1
8	United Phosphorus Polska Sp.z o.o - Poland	Poland	
9	UPL Benelux B.V.	Netherlands	
10	Cerexagri B.V.	Netherlands	
11	United Phosphorus Holdings Cooperatief U.A.	Netherlands	
12	United Phosphorus Holdings B.V.	Netherlands	
13	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Netherlands	
14	Decco Worldwide Post-Harvest Holdings B.V.	Netherlands	
15	United Phosphorus Holding, Brazil B.V.	Netherlands	
16	UPL Italia S.R.L.	Italy	
17	UPL Iberia, S.A.	Spain	
18	Decco Iberica Postcosecha, S.A.U.	Spain	
19	Transterra Invest, S. L. U.	Spain	
20	Cerexagri S.A.S.	France	
21	Neo-Fog S.A.	France	
22	UPL France	France	
23	United Phosphorus Switzerland Limited	Switzerland	
24	Agrodan, ApS	Denmark	
25	Decco Italia SRL	Italy	
26	Limited Liability Company "UPL"	Russia	
27	Decco Portugal Post Harvest LDA (formerly known as UPL Portugal Unipessoal LDA)	Portugal	
28	UPL NA Inc. (formerly known as United Phosphorus Inc.)	USA	
29	UPI Finance LLC	USA	
30	Cerexagri, Inc. (PA)	USA	
31	UPL Delaware, Inc.	USA	
32	Canegrass LLC	USA	
33	Decco US Post-Harvest Inc	USA	
34	RiceCo LLC	USA	
35	Riceco International, Inc.	Bahamas	
36	UPL Corporation Limited	Mauritius	
37	UPL Management DMCC	United Arab Emirates	
38	UPL Limited	Gibraltar	
39	UPL Agro S.A. de C.V.	Mexico	
40	Decco PostHarvest Mexico (Formerly Known as Decco Jifkins Mexico Sapi)	Mexico	
41	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Brazil	

36. RELATED PARTY TRANSACTIONS (Contd.)

Sr. No.	Name	Country of incorporation/ Principal place of business	Notes
42	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Brazil	$$2
43	UPL Costa Rica S.A.	Costa Rica	
44	UPL Bolivia S.R.L	Bolivia	
45	UPL Paraguay S.A.	Paraguay	
46	Icona Sanluis S.A.	Argentina	
47	UPL Argentina S A	Argentina	
48	Decco Chile SpA	Chile	
49	UPL Colombia SAS	Colombia	
50	United Phosphorus Cayman Limited	Cayman Islands	
51	UP Aviation Limited	Cayman Islands	
52	UPL Australia Limited	Australia	
53	UPL New Zealand Limited	New Zealand	
54	UPL Shanghai Limited	China	
55	UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited)	Korea	
56	PT.UPL Indonesia	Indonesia	
57	PT Catur Agrodaya Mandiri	Indonesia	
58	UPL Limited,Hong Kong(Formerly Known as United Phosphorus Limited, Hongkong)	Hong Kong	
59	UPL Philippines Inc.	Philippines	
60	UPL Vietnam Co. Limited	Vietnam	
61	UPL Japan GK (Formerly Known as UPL Limited, Japan)	Japan	
62	Anning Decco Fine Chemical Co. Limited	China	
63	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Turkey	
64	UPL Agromed Tohumculuk Sa, Turkey	Turkey	
65	Safepack Products Limited	Israel	
66	Citrashine (Pty) Ltd	South Africa	
67	Prolong Limited	Israel	
68	Perrey Participações S.A	Brazil	
69	Agrinet Solutions Limited	India	
70	Advanta Netherlands Holding B.V.	Netherlands	
71	Advanta Semillas SAIC	Argentina	
72	Advanta Holdings B.V.	Netherlands	
73	Advanta Seeds International	Mauritius	
74	Pacific Seeds Holdings (Thailand) Limited	Thailand	
75	Pacific Seeds (Thai) Limited	Thailand	
76	Advanta Seeds Pty Ltd	Australia	
77	Advanta US LLC (formerly known as Advanta U.S. Inc.)	USA	
78	Advanta Comercio De Sementes LTDA.	Brazil	
79	PT Advanta Seeds Indonesia	Indonesia	
80	Advanta Seeds DMCC	United Arab Emirates	
81	Essentiv LCC	USA	
82	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Mauritius	
83	UPL Jiangsu Limited	China	
84	Riceco International Bangladesh Ltd	Bangladesh	
85	Uniphos Malaysia Sdn Bhd	Malaysia	
86	Advanta Seeds Ukraine LLC	Ukraine	
87	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.	Turkey	@
88	Arysta LifeScience Investments LLC	USA	@1
89	Arysta LifeScience America Inc.	USA	@1
90	ANESA S.A.	Belgium	@1
91	Arysta LifeScience Management Company, LLC	USA	@1
92	Arysta LifeScience SPC, LLC	USA	@1
93	Arysta LifeScience India Limited	India	@1
94	Arysta LifeScience Agriservice Private Limited	India	@1
95	Arysta LifeScience Togo SAU	Togo	@1
96	Arysta Agro Private Limited	India	@1
97	Arysta LifeScience do Brasil Indústria Química e Agropecuária SA	Brazil	@1, $$2
98	Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda	Brazil	@1, $
99	GBM USA LLC	USA	@1
100	UPL Agrosolutions Canada Inc (Formerly Known as Arysta LifeScience Canada, Inc.)	Canada	@1
101	Arysta LifeScience Canada BC Inc.	Canada	@1

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36. RELATED PARTY TRANSACTIONS (Contd.)

Sr. No.	Name	Country of incorporation/ Principal place of business	Notes
102	Arysta LifeScience North America, LLC	USA	@1
103	Arysta LifeScience NA Holding LLC	USA	@1
104	Arysta LifeScience Inc.	USA	@1
105	Arysta LifeScience Services LLP	India	@1
106	Arysta LifeScience France SAS	France	@1, $$3
107	Arysta LifeScience Benelux SPRL	Belgium	@1
108	Arysta LifeScience (Mauritius) Ltd	Mauritius	@1
109	UPL South Africa (Pty) Ltd (Formerly Known as Arysta LifeScience South Africa (Pty) Ltd)	South Africa	@1
110	Arysta Health and Nutrition Sciences Corporation	Japan	@1
111	Arysta LifeScience Corporation	Japan	@1
112	Arysta LifeScience S.A.S.	France	@1
113	Arysta LifeScience Chile S.A.	Chile	@1
114	Arysta LifeScience Mexico, S.A.de C.V	Mexico	@1
115	Grupo Bioquimico Mexicano, S.A. de C.V.	Mexico	@1
116	UPL Agricultural Solutions Netherlands BV (Formerly Known as UPL Agricultural Solutions Netherlands Cooperatief UA -Formerly Known as MacDermid Agricultural Solutions Netherlands Cooperatief UA)	Netherlands	@1
117	Arysta LifeScience UK & Ireland Ltd	U.K.	@1
118	Arysta LifeScience Europe Sarl	France	@1, $$4
119	UPL Agricultural Solutions (Formerly Known as MacDermid Agricultural Solutions Italy Srl)	Italy	@1
120	Platform Sales Suisse GmbH	Switzerland	@1
121	UPL Agricultural Solutions Holdings BV (Formerly Known as MacDermid Agricultural Solutions Holdings BV)	Netherlands	@1
122	Dutch Agricultural Investment Partners LLC	Netherlands	@1
123	Netherlands Agricultural Investment Partners LLC	Netherlands	@1
124	Arysta LifeScience Bulgaria EOOD	Bulgaria	@1
125	Arysta LifeScience Romania SRL	Romania	@1
126	Arysta LifeScience Kiev LLC	Ukraine	@1
127	Arysta LifeScience Great Britain Ltd	U.K.	@1
128	Arysta LifeScience Technology BV	Netherlands	@1
129	Arysta LifeScience Netherlands BV	Netherlands	@1
130	Arysta LifeScience RUS LLC	Russia	@1
131	Netherlands Agricultural Technologies CV	Netherlands	@1, $
132	Dutch Agricultural Formations CV	Netherlands	@1, $
133	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Turkey	@1
134	Arysta LifeScience Australia Pty Ltd.	Australia	@1
135	Chemtura (Thailand) Ltd	Thailand	@1
136	MacDermid (Shanghai) Chemical Ltd.	China	@1
137	Arysta-LifeScience Ecuador S.A.	Ecuador	@1
138	Arysta LifeScience Ougrée Production Sprl	Belgium	@1
139	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Greece	@1
140	Naturagri Soluciones, SLU (Formerly known as Arysta LifeScience Iberia SLU)	Spain	@1
141	Arysta Lifescience Italia SrL	Italy	@1, $$5
142	Agriphar Poland Sp. Zoo	Poland	@1
143	Arysta LifeScience Switzerland Sarl	Switzerland	@1
144	Vetophama SAS (Formerly known as Arysta Animal Health SAS)	France	@1
145	PPWJ Sci	France	@1
146	Vetopharma Iberica SL (Formerly known as Santamix Iberica SL, Spain)	Spain	@1
147	Arysta LifeScience Global Services Limited	Ireland	@1
148	Arysta LifeScience European Investments Limited	U.K.	@1
149	Arysta LifeScience U.K. Limited	U.K.	@1
150	Arysta LifeScience U.K. CAD Limited	U.K.	@1
151	Arysta LifeScience U.K. EUR Limited	U.K.	@1
152	Arysta LifeScience U.K. JPY Limited	U.K.	@1
153	Arysta LifeScience U.K. USD Limited	U.K.	@1
154	Arysta Lifescience U.K. Holdings Limited	U.K.	@1
155	Arysta LifeScience Japan Holdings Goudou Kaisha	Japan	@1
156	Arysta LifeScience Cameroun SA	Cameroun	@1

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36. RELATED PARTY TRANSACTIONS (Contd.)

Sr. No.	Name	Country of incorporation/ Principal place of business	Notes
157	Callivoire SGFD S.A.	Cote D'Ivoire	@1
158	Arysta LifeScience Egypt Ltd	Egypt	@1
159	Calli Ghana Ltd.	Ghana	@1
160	Arysta LifeScience Kenya Ltd.	Kenya	@1
161	Mali Protection Des Cultures (M.P.C.) SA	Mali	@1
162	Agrifocus Limitada	Mozambique	@1
163	Arysta LifeScience Holdings SA (Pty) Ltd	South Africa	@1
164	Anchorprops 39 (Pty) Ltd	South Africa	@1
165	Callietha Investments (Pty) Ltd	South Africa	@1
166	Sidewalk Trading (Pty) Ltd	South Africa	@1
167	Volcano Agroscience (Pty) Ltd	South Africa	@1
168	Volcano Chemicals (Pty) Ltd	South Africa	@1
169	Arysta LifeScience Tanzania Ltd	Tanzania	@1
170	Arysta LifeScience (Shanghai) Co., Ltd.	China	@1
171	Pt. Arysta LifeScience Tirta Indonesia	Indonesia	@1
172	Arysta LifeScience Korea Ltd.	Korea	@1
173	Arysta LifeScience Pakistan (Pvt.) LTD.	Pakistan	@1
174	Arysta LifeScience Philippines Inc.	Philippines	@1
175	Arysta LifeScience Asia Pte., Ltd.	Singapore	@1
176	Arysta LifeScience (Thailand) Co., Ltd.	Thailand	@1
177	Arysta LifeScience Vietnam Co., Ltd.	Vietnam	@1
178	Arysta LifeScience Holdings France SAS	France	@1
179	Goëmar Développement SAS	France	@1, $$6
180	Laboratoires Goëmar SAS	France	@1
181	Natural Plant Protection S.A.S.	France	@1
182	Arysta LifeScience Czech s.r.o.	Czech Rpb	@1
183	UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)	Germany	@1
184	Arysta LifeScience Magyarorszag Kft.	Hungary	@1
185	UPL Polska Sp. z.o.o (formerly known as Arysta LifeScience Polska Sp. z.o.o)	Poland	@1
186	Betel Reunion S.A.	Reunion(Fr)	@1
187	Arysta LifeScience Vostok Ltd.	Russia	@1
188	Arysta LifeScience Slovakia S.R.O.	Slovakia	@1
189	Arysta LifeScience Ukraine LLC	Ukraine	@1
190	Arysta LifeScience Global Limited	U.K.	@1
191	Arysta LifeScience Argentina S.A.	Argentina	@1
192	Arysta LifeScience Colombia S.A.S	Colombia	@1
193	Arysta LifeScience CentroAmerica, S.A.	Guatemala	@1
194	Arysta LifeScience Mexico Holding S.A.de C.V	Mexico	@1
195	Bioenzymas S.A. de C.V.	Mexico	@1
196	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Mexico	@1
197	Omega Agroindustrial, S.A. de C.V.	Mexico	@1
198	Agroquimicos y Semillas, S.A. de C.V.	Mexico	@1
199	Servicios Agricolas Mundiales SA de CV	Mexico	@1
200	Tecno Extractos Vegetales, S.A. de C.V.	Mexico	@1
201	Tesaurus Mexico S.A. de C.V.	Mexico	@1
202	Arysta LifeScience Paraguay S.R.L.	Paraguay	@1
203	Arysta LifeScience Peru S.A.C	Peru	@1
204	Arysta LifeScience Costa Rica SA.	Costa Rica	@1
205	Arysta LifeScience de Guatemala, S.A.	Guatemala	@1
206	Arysta LifeScience S.R.L.	Bolivia	@1
207	Myanmar Arysta LifeScience Co., Ltd.	Myanmar	@1
208	Arysta LifeScience U.K. BRL Limited	U.K.	@1
209	Etec Crop Solutions Limited	New Zealand	@1
210	MacDermid Agricultural Solutions Australia Pty Ltd	Australia	@1
211	Arvesta Corporation	USA	@1
212	Arysta LifeScience Registrations Great Britain Ltd	U.K.	@1
213	Agriphar SDN BHD	Malaysia	@1
214	Agriphar de Costa Rica SA	Costa Rica	@1, $
215	Agriphar de Colombia SAS	Colombia	@1, $
216	Industrias Agriphar SA	Guatemala	@1

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36. RELATED PARTY TRANSACTIONS (Contd.)

Sr. No.	Name	Country of incorporation/ Principal place of business	Notes
217	Kempton Chemicals (Pty) Ltd	South Africa	@1, $
218	Agripraza Ltda.	Portugal	@1
219	Arysta LifeScience Corporation Republica Dominicana, SRL	Dominican Rpb	@1
220	Grupo Bioquimico Mexicano Republica Dominicana SA	Dominican Rpb	@1
221	Arysta LifeScience Ecuador S.A.	Ecuador	@1, $
222	Arvesta Paraguay S.A.	Paraguay	@1
223	Arysta Agroquimicos y Fertilzantes Uruguay SA	Uruguay	@1
224	Arysta LifeScience U.K. USD-2 Limited	U.K.	@1
225	Industrias Bioquim Centroamericana, Sociedad Anónima	Costa Rica	#1
226	Procultivos, Sociedad Anónim	Costa Rica	#1
227	Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. June 26, 2019)	Costa Rica	#1
228	Bioquim, Sociedad Anónima	Costa Rica	#1
229	Bioquim Panama, Sociedad Anónima	Panama	#1
230	Bionic Nicaragua, Sociedad Anónima (w.e.f. June 26, 2019)	Nicaragua	#1
231	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Dominican Republic	#1
232	Nutriquim De Guatemala, Sociedad Anónima	Guatemala	#1
233	UPL Agro Ltd	Hong Kong	#
234	UPL Portugal Unipessoal, Ltda.	Portugal	#
235	UPL Services LLC	USA	#
236	United Phosphorus Holdings Uk Ltd	U.K.	#
237	AFS Agtech Pvt. Limited	India	#
238	Natural Plant Protection Limited	India	#

Subsidiary formed during the current year

#1 Subsidiary acquired during the current year

@ Subsidiary formed during the previous year

@1 Subsidiary acquired during the previous year

$ Subsidiary liquidated during the year

$$1 During the year, UPL Deutschland GMBH, Germany was merged into UPL Deutschland GMBH, Germany (formerly known as Arysta LifeScience Germany GmbH).

$$2 During the year, Arysta LifeScience do Brasil Indústria Química e Agropecuária SA, Brazil was merged into UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A..

$$3 During the year, Arysta LifeScience France SAS, France was merged into UPL France(formerly Known as AS pen SAS).

$$4 During the year, Arysta LifeScience Europe Sarl, France was merged into UPL Agricultural Solutions Holdings BV (Formerly known as MacDermid Agricultural Solutions Holdings BV).

$$5 During the year, Arysta Lifescience Italia SrL, Italy was merged into UPL Italia S.R.L.(Formerly Known as Cerexagri Italia S.R.L.).

$$6 During the year, Goëmar Développement SAS, France was merged into Arysta LifeScience Holdings France SAS, France.

(b) Names of the other related parties with whom transactions have taken place during the year

(i)	Name of Associate Companies:	Country of incorporation/ Principal place of business	Notes
1	Weather Risk Management Private Ltd	India	
2	Ingen Technologies Private Limited	India	
3	Kerala Enviro Infrastructure Limited	India	
4	3SB Produtos Agricolas S.A.	Brazil	
5	Sinagro Produtos Agropecuarios S.A.	Brazil	
6	Seara Comercial Agricola Ltda.	Brazil	
7	Serra Bonita Sementes S.A.	Brazil	
8	Bioplanta Nutricao Vegetal, Industria e Comercio S.A.	Brazil	
9	Chemisynth (Vapi) Limited	India	
10	Universal Pestochem (Industries) Limited	India	
11	Agri Fokus (Pty) Ltd.	South Africa	$
12	Novon Retail Company (Pty) Ltd.	South Africa	$
13	Agronamic (Pty) Ltd.	South Africa	$
14	Novon Protecta (Pty) Ltd	South Africa	$
15	Silvix Forestry (Pty) Ltd.	South Africa	$
16	Nexus AG (Pty) Ltd	South Africa	$
17	Dalian Advanced Chemical Co.Ltd.	China	$
18	Société des Produits Industriels et Agricoles	Senegal	$

Notes to Standalone Financial Statements

for the year ended March 31, 2020

36. RELATED PARTY TRANSACTIONS (Contd.)

(i)	Name of Associate Companies:	Country of incorporation/ Principal place of business	Notes
19	CGNS Limited	U.K.	$
20	Callitogo SA	Togo	$

$ Investment in Associates during the previous year.

* This is 100% step-down subsidiary of Weather Risk Management Private Ltd.

** This is 51% step-down subsidiary of Sinagro Produtos Agropecuarios S.A.

*** These are 33.33% Joint ventures of Sinagro Produtos Agropecuarios S.A.

(ii) Joint Venture Companies:

	Name	Country of incorporation/Principal place of business
1	Hodagaya UPL Co. Limited	Japan
2	Longreach Plant Breeders Management Pty Limited	Australia
3	United Phosphorus (Bangladesh) Limited	Bangladesh

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

	Name
1	BEIL Infrastructure Limited
2	Bloom Packaging Private Limited
3	Bloom Seal Containers Private Limited
4	Daman Ganga Pulp and Papers Private Limited
5	Demuric Holdings Private Limited
6	Enviro Technology Limited
7	Gharpure Engineering and Construction Private Limited
8	Uniphos Envirotronic Private Limited
9	Jai Trust
10	Pot Plants
11	Sanguine Holdings Private Limited
12	Tatva Global Environment Private Limited (formerly Tatva Global Environment Limited)
13	Tatva Global Environment (Deonar) Limited
14	Ultima Search
15	Uniphos International Limited
16	Uniphos Enterprises Limited
17	UPL Environmental Engineers Limited
18	Nerka Chemicals Private Limited
19	Vikram Farm

(iv) Key Management Personnel and their relatives :

Directors and their relatives

Mr. Rajnikant. D. Shroff

Mrs. Sandra R. Shroff *

Mr. Jaidev R. Shroff *

Mrs. Shilpa Sagar*

Mr. Arun C. Ashar

Mr. Vikram R. Shroff *

Mrs. Asha Ashar *

Mr. Navin Ashar *

Mr. Hardeep Singh

Mr. Vasant Gandhi

Mr. Pradeep Goyal

Mr. Vinod Sethi (up to September 2, 2019)

Dr. Reena Ramchandran

Mrs. Usha Mohan Rao Manori (with effect from December 27 , 2019)

Mr. Pradeep Madhavji (upto April 27, 2018)

Mr. Kalyan Banerjee (up to July 31, 2018)

Mr. Anand K Vora - Chief Financial Officer

Mr. Mukul B Trivedi - Company Secretary (up to November 7, 2019)

Mr. Sandeep Deshmukh - Company Secretary (with effect from November 8, 2019)

* Relatives of Key management personnel.

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

Relationship			Subsidiaries		Associates		Joint venture		Enterprises over which key management personnel have significant influence		Grand total	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Nature of transactions:			₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
1		INCOME										
	(A)	SALES:										
	(i)	GOODS	6,404	5,532	0	0	-	5	1	5	6,405	5,542
		UPL Corporation Ltd.	1,380	1,038	-	-	-	-	-	-	1,380	1,038
		UPL Limited Gibraltar	1,805	1,455	-	-	-	-	-	-	1,805	1,455
		SWAL Corporation Limited	521	581	-	-	-	-	-	-	521	581
		UPL Ltd. - Mauritius	1,069	843	-	-	-	-	-	-	1,069	843
		United Phosphorus (India) LLP	1,354	1,402	-	-	-	-	-	-	1,354	1,402
		Others	275	213	0	0	0	5	1	5	276	223
	(ii)	FIXED ASSETS:	93	-	-	-	-	-	0	-	93	-
		United Phosphorus (India) LLP	93	-	-	-	-	-	-	-	93	-
		Others	0	-	-	-	-	-	0	-	0	-
	(B)	DIVIDEND RECEIVED	429	412	-	-	-	-	-	-	429	412
		UPL Corporation Ltd.	429	412	-	-	-	-	-	-	429	412
	(C)	MANAGEMENT FEES / OTHER SERVICES										
	(i)	MANAGEMENT FEES	3	3	-	-	-	-	4	6	7	9
		United Phosphorus (India) LLP	3	3	-	-	-	-	-	-	3	3
		Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	2	2	2	2
		BEIL Infrastructure Limited	-	-	-	-	-	-	1	1	1	1
		Uniphos Enterprises Limited	-	-	-	-	-	-	1	1	1	1
		Tatva Global Environment Private Limited	-	-	-	-	-	-	0	2	0	2
		Others	-	0	-	-	-	-	0	0	0	0
	(D)	RENT RECEIVED	6	7	-	-	-	-	0	0	6	7
		United Phosphorus (India) LLP	6	7	-	-	-	-	-	-	6	7
		Others	0	-	-	-	-	-	0	0	0	0
	(E)	ROYALTY INCOME	45	42	-	-	-	-	-	-	45	42
		United Phosphorus (India) LLP	45	42	-	-	-	-	-	-	45	42
	(F)	COMMISSION ON GUARANTEE GIVEN / RECEIVED	0	1	-	-	-	-	-	-	0	1
		UPL Europe Ltd	-	-	-	-	-	-	-	-	-	-
		UPL Italia SRL	0	0	-	-	-	-	-	-	0	0
		Cerexagri SAS	-	0	-	-	-	-	-	-	-	0
		Cerexagri BV	-	0	-	-	-	-	-	-	-	0
		UPL Argentina SA.	-	-	-	-	-	-	-	-	-	-

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

Relationship			Subsidiaries		Associates		Joint venture		Enterprises over which key management personnel have significant influence		Grand total	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Nature of transactions:			₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
2		EXPENSES										
	(A)	PURCHASES										
	(i)	GOODS	412	397	-	-	-	-	55	64	467	461
		UPL Ltd, Hong Kong	93	130	-	-	-	-	-	-	93	130
		Bloom Seal Containers Pvt Ltd, Vapi	-	-	-	-	-	-	30	39	30	39
		Optima Farm Solutions Ltd.	143	104	-	-	-	-	-	-	143	104
		United Phosphorus (India) LLP	21	74	-	-	-	-	-	-	21	74
		Arysta Life Science India Ltd.	70	-	-	-	-	-	-	-	-	-
		Others	85	89	-	-	-	-	25	25	110	114
	(ii)	PURCHASE OF LICENCES	11	31	-	-	-	-	-	-	11	31
		United Phosphorus India LLP	11	31	-	-	-	-	-	-	11	31
		Others	0	0	-	-	-	-	-	-	-	-
	(iii)	FIXED ASSETS	0	10	0	-	-	-	0	1	0	11
		Optima Farm Solutions Ltd.	0		-		-	-	-	-	0	
		Uniphos Envirotronic Pvt. Ltd.	-	-	-	-	-	-	0	1	0	1
		Ingen Technologies Pvt. Ltd.	-	-	0		-	-	-	-	0	
		United Phosphorus India LLP	-	10	-	-	-	-	-	-	-	10
	(iv)	INTANGIBLE ASSETS	2	1	-	-	-	-	-	-	2	1
		UPL Ltd. Japan	-	1	-	-	-	-	-	-	-	1
		UPL Limited Korea	2	0	-	-	-	-	-	-	2	-
	(vi)	OTHERS	-	-	-	-	-	-	0	0	0	0
		Vikram Farm	-	-	-	-	-	-	0	0	0	0
		Others	-	-	-	-	-	-	0	0	0	0
	(B)	SERVICES	2	0	4	0	-	-	111	94	117	94
		BEIL Infrastructure Limited	-	-	-	-	-	-	107	92	107	92
		Others	2	0	4	0	-	-	4	2	10	2
	(C)	RENT	-	-	-	-	-	-	1	1	1	1
		Sanguine Holdings Pvt. Ltd.	-	-	-	-	-	-	0	0	0	0
		Bloom Packaging Pvt. Ltd.	-	-	-	-	-	-	0	0	0	0
		Ultima Search	-	-	-	-	-	-	0	0	0	0
		Jai Trust	-	-	-	-	-	-	0	0	0	0
		Others	-	-	-	-	-	-	0	0	0	0
	(D)	COMMISSION ON EXPORTS	-	26	-	-	-	0	-	-	-	26
		UPL Corporation Ltd.	-	26	-	-	-	-	-	-	-	26
		Others	-	0	-	-	-	0	-	-	-	0

Notes to Standalone Financial Statements

for the year ended March 31, 2020

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

Relationship		Subsidiaries		Associates		Joint venture		Enterprises over which key management personnel have significant influence		Grand total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Nature of transactions:		₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
(F)	**WRITE BACK OF PAYABLES**	**0**	**2**	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**2**
	UPL Corporation Ltd.	-	1	-	-	-	-	-	-	-	1
	UPL Limited Hong Kong	0	-	-	-	-	-	-	-	0	-
	Advanta Seeds PTY Ltd.	-	1	-	-	-	-	-	-	-	1
	Others	-	-	-	-	-	-	-	-	-	-
(G)	**WRITE OFF OF RECEIVABLES**	**-**	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Enviro Technology Ltd	-	-	-	-	-	-	-	-	-	-
	Chemie Synth (Vapi) Ltd.	-	-	0	-	-	-	-	-		
	Other	-	-	-	-	-	-	-	-	-	-
3	**FINANCE**										
(A)	**LOAN / INTER CORPORATE DEPOSITS GIVEN**	**95**	**77**	**-**	**-**	**-**	**-**	**-**	**-**	**95**	**77**
	SWAL Corporation Limited	95	77	-	-	-	-	-	-	95	77
(B)	**INTEREST RECEIVED**	**9**	**49**		**-**		**-**	**0**	**0**	**9**	**49**
	UPL Corporation Ltd.	-	41		-		-	-	-	-	41
	SWAL Corporation Limited	9	8		-		-	-	-	9	8
	Others	-	-		-		-	0	0	0	0
(C)	**REPAYMENT AGAINST LOAN GIVEN**	**172**	**929**	**-**	**-**	**-**	**-**	**-**	**-**	**172**	**929**
	UPL Corporation Ltd.	-	929	-	-	-	-	-	-	-	929
	SWAL Corporation Limited	172	-	-	-	-	-	-	-	172	-
(D)	**PURCHASE OF SHARES**	**0**	**1,025**	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**1,025**
	UPL Corporation Ltd.	-	1,025	-	-	-	-	-	-	-	1,025
	AFS Agtech Private Limited	0	-	-	-	-	-	-	-	0	-
(E)	**SALE OF BONDS**	**-**	**-**	**-**	**-**	**-**	**-**	**61**	**-**	**61**	**-**
	Nerka Chemicals Pvt. Ltd.	-	-	-	-	-	-	61	-	61	-
4 (A)	**REIMBURSMENTS RECEIVED**	**85**	**60**	**-**	**-**	**-**	**-**	**1**	**1**	**86**	**61**
	Swal Corporation Limited	12	10	-	-	-	-	-	-	12	10
	UPL Limited Mauritius	64		-	-	-		-		64	-
	United Phosphorus (India) LLP	-	5	-	-	-	-	-	-	-	5
	UPL Ltd. Gibraltar	-	39	-	-	-		-	-	-	39
	Others	9	6	-	-	-	-	1	1	10	7
(B)	**REIMBURSEMENTS MADE**	**5**	**9**	**-**	**-**	**-**	**-**	**0**	**0**	**5**	**9**
	Swal Corporation Ltd.	1	-	-	-	-	-	-	-	1	0
	UPL Limited Korea	0	4	-	-	-		-	-	0	4
	UPL Ltd, Hong Kong	-	4	-	-	-		-	-	0	4
	Decco Post Harvest Mexico S.A. Dec	3	-	-	-	-		-	-	3	-
	Others	1	1	-	-	-	-	0	0	1	1

Notes to Standalone Financial Statements

for the year ended March 31, 2020

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

Relationship		Subsidiaries		Associates		Joint venture		Enterprises over which key management personnel have significant influence		Grand total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
NATURE OF BALANCE:		₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
5	**OUTSTANDING AT THE YEAR END**										
(A)	**PAYABLES**	**96**	**315**	**1**	**0**	**-**	**-**	**8**	**3**	**105**	**319**
	UPL Corporation Ltd.	12	185	-	-	-	-	-	-	12	185
	UPL Ltd, Hong Kong	48	88	-	-	-	-	-	-	48	88
	UPL Vietnam Co. Limited	13	3	-	-	-	-	-	-	13	3
	Optima Farm Solutions Limited	11	4	-	-	-	-	-	-	11	4
	Others	12	35	1	0	-	-	8	3	21	39
(B)	**RECEIVABLE**	**2,097**	**1,808**	**0**	**0**	**-**	**1**	**2**	**19**	**2,099**	**1,828**
	UPL Limited.- Gibraltar	222	354	-	-	-	-	-	-	222	354
	Swal Corporation Ltd.	141	232	-	-	-	-	-	-	141	232
	United Phosphorus (India) LLP	948	665	-	-	-	-	-	-	948	665
	UPL Corporation Ltd.	235	206	-	-	-	-	-	-	235	206
	UPL Limited Mauritius	409	289	-	-	-	-	-	-	409	289
	Others	142	62	0	0	-	1	2	19	144	82
(C)	**LOANS AND ADVANCES GIVEN**	**-**	**77**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	**77**
	Swal Corporation Ltd.	-	77	-		-		-	-	-	77
	Others	-	-	-	-	-		-	0	-	0
(D)	**INTEREST RECEIVABLE**	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**0**	**0**	**0**
	Tatva Global Environmental Deonar Limited	-	-	-	-	-	-	0	0	0	0
(E)	**MANAGEMENT FEES RECEIVABLE**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**14**	**16**	**14**
	Tatva Global Environment Private Limited	-	-	-	-	-	-	3	3	3	3
	Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	11	10	11	10
	Others	-	-	-	-	-	-	2	1	2	1
(F)	**GUARANTEES GIVEN ON BEHALF OF COMPANIES.**	**-**	**133**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**133**
	UPL Italia SRL	-	133	-	-	-	-	-	-	-	133

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

Relationship		Subsidiaries		Associates		Joint venture		Enterprises over which key management personnel have significant influence		Grand total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
NATURE OF BALANCE:		₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
(G)	REIMBURSEMENT RECEIVABLE	59	101		-	-	-	-	-	59	101
	UPL Limited.- Gibraltar	44	39	-	-	-	-	-	-	44	39
	Advanta Semilas SAIC	8	8	-	-	-	-	-	-	8	8
	UP Aviation Limited	6	4	-	-	-	-	-	-	6	4
	United Phosphorus (India) LLP	-	49	-	-	-	-	-	-	-	49
	Others	1	1	-	-	-	-	-	-	1	1
(H)	ADVANCES FROM CUSTOMERS	624	1,069	-	-	-	-	-	-	624	1,069
	UPL Corporation Ltd.	350	361	-	-	-	-	-	-	350	361
	UPL Limited Mauritius	270	297	-	-	-	-	-	-	270	297
	UPL Limited.- Gibraltar	-	404	-	-	-	-	-	-	-	404
	Others	4	7	-	-	-	-	-	-	4	7
(I)	DEPOSIT GIVEN	-	-	-	-	-	-	5	11	5	11
	Bloom Packaging Pvt Ltd	-	-	-	-	-	-	1	-	1	-
	Daman Ganga Pulp And Papers	-	-	-	-	-	-	4	4	4	4
	BEIL Infrastructure Limited	-	-	-	-	-	-	-	6	-	6
	Others	-	-	-	-	-	-	0	1	0	1

(Above figures are gross of tax)

(d) Transactions with Key Management Personnel and their relatives

₹ in crore

Nature of Transaction	Year ended March 31, 2020	Year ended March 31, 2019
REMUNERATION (REFER NOTE 1 BELOW)		
Mr. Rajnikant. D. Shroff	13	13
Mr. Arun C. Ashar	3	3
Others	8	6
	24	22
RENT PAID		
Mr. Rajnikant. D. Shroff	0	0
Mrs. Sandra R. Shroff	0	0
Mr. Vikram R. Shroff	0	0
Mr. Jai R. Shroff	-	0
	1	1
PROFESSIONAL FEES		
Navin Ashar	1	1
REIMBURSEMENTS MADE	0	0
OUTSTANDING'S AS AT THE BALANCE SHEET DATE:		
Sundry Deposits given	0	0
Professional Fees Payable/(Receivable)	0	0
Rent Payable	0	0

36.1. DETAILS OF LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED

₹ in crore

	As at March 31, 2020		As at March 31, 2019	
	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				
UPL Corporation Limited	-	-	-	929
SWAL Corporation Limited	-	162	77	77

Notes:

1. This includes short term employee benefits and key management personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS19- Employee Benefits in the standalone financial statements. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.

2. Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37. CAPITALISATION OF EXPENDITURE

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

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Employee cost & other expenses	34	29
Finance cost capitalised	48	50

Borrowing cost was capitalised at the rate 7.89% (March 2019: 7.68%)

38. HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Company uses full currency interest rate swap and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

	Currency	As at March 31, 2020 (In. '000)	As at March 31, 2020 (₹ in crore)	As at March 31, 2019 (In. '000)	As at March 31, 2019 (₹ in crore)	Purpose
Nature of Instrument	USD					
Forward contract - Buy		9,432	71	1,22,686	848	Hedging

Un-hedged Foreign Currency balances:

	Currency	As at March 31, 2020 (In. '000)	As at March 31, 2020 (₹ in crore)	As at March 31, 2019 (In. '000)	As at March 31, 2019 (₹ in crore)
Payables	USD	2,89,846	2,187	2,14,951	1,486
	EUR	8,635	72	2,437	19
	GBP	165	1	177	2
	AUD	1	0	-	-
	CHF	-	-	13	0
	AED	115	0	115	0
Receivable	USD	1,94,393	1,471	1,74,633	1,208
	EUR	5,717	47	13,676	106
	AUD	6,095	28	336	2
	PHP	33	0	33	0
	CHF	316	2	181	1
	GBP	10	0	21	0
	ARS	915	0	915	0
	BRL	63	0	63	0
	IDR	63,679	0	63,679	0

39. CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Particulars	Notes	Non-current Year ended March 31, 2020	Non-current Year ended March 31, 2019	Current Year ended March 31, 2020	Current Year ended March 31, 2019
(A) Accounting, classification and fair values					
Financial assets measured at fair value through profit or loss (FVTPL)					
Investments in unquoted equity shares	5	17	7	-	-
Investments in unquoted optionally convertible bonds	5	7	83	-	-
		24	**90**	**-**	**-**
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares	5	5	5	-	-
		5	**5**	**-**	**-**
(A) Accounting, classification and fair values:					
Financial assets measured at amortised cost					
Security Deposits	6	64	76	-	-
Investments	5	0	0	-	-
Loans and Advances to related parties	6	-	-	-	77
Loans to employees	6	-	-	2	2
Interest receivable	7	-	-	7	7
Receivables from related parties	7	-	-	75	115

39. CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (Contd.)

Particulars	Notes	Non-current Year ended March 31, 2020	Non-current Year ended March 31, 2019	Current Year ended March 31, 2020	Current Year ended March 31, 2019
Export benefit receivable	7	35	35	159	121
Trade receivable	10	-	-	3,161	2,733
Cash and cash equivalents	11	-	-	138	77
Other bank balance	11A	-	-	25	23
		99	**111**	**3,567**	**3,155**
Financial liabilities measured at amortised cost					
Unsecured Redeemable Non convertible Debentures (NCDs)	14 and 15	458	458	33	273
Lease liabilities	48	82	-	-	-
Loans repayable on demand					
- Secured	14	-	-	251	0
- Unsecured	14	-	-	288	507
Unsecured Commercial papers from Banks and others	14			-	400
Trade Deposits	15	-	-	46	43
Creditors for capital goods	15	-	-	177	67
Interest accrued on borrowings	15	-	-	1	1
Unpaid dividend	15	-	-	8	8
Others	15	3	4	105	37
Trade payables MSME	17	-	-	64	26
Trade payables (current)	18	-	-	3,233	2,791
		543	**462**	**4,206**	**4,153**

(B) Measurement of fair value:

Valuation techniques and significant unobservable inputs:

(i) Financial instruments measured at fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.
- The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2020 was assessed to be insignificant.

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

(ii) Financial instrument measured at amortised cost:

The carrying amount of financial assets and financial liability measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

40. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

₹ in crore

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTOCI financial investments (Note 5):					
Quoted equity shares	March 31, 2020	5	5	-	-
FVTPL financial investments (Note 5):					
Unquoted equity shares	March 31, 2020	17	-	-	17
Unquoted optionally convertible bonds	March 31, 2020	7	-	7	-

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

₹ in crore

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTOCI financial investments (Note 5):					
Quoted equity shares	March 31, 2019	5	5	-	-
FVTPL financial investments (Note 5):					
Unquoted equity shares	March 31, 2019	7	-	-	7
Unquoted optionally convertible bonds	March 31, 2019	83	-	83	-

There have been no transfers between Level 1 and Level 2 during the period.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Opening balance	7	7
Fair value impact of unquoted equity shares	10	-
Closing balance	**17**	**7**

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to its subsidiaries to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in crore

	Increase/ decrease in basis points	Effect on profit or loss	Effect on equity
March 31, 2020	+100	(3)	(3)
	-100	3	3
March 31, 2019	+100	(5)	(4)
	-100	5	4

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

At March 31, 2020, the Company's hedge position is stated in Note 38. This foreign currency risk is hedged by using foreign currency forward contracts and full currency interest rate swaps.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

₹ in crore

	Change in USD Rate	Effect on profit or loss	Effect on equity
March 31, 2020	1%	(7)	(6)
	-1%	7	6
March 31, 2019	1%	(3)	(2)
	-1%	3	2

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

₹ in crore

	Change in Euro Rate	Effect on profit or loss	Effect on equity
March 31, 2020	1%	(0)	(0)
	-1%	0	0
March 31, 2019	1%	1	1
	-1%	(1)	(1)

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, where the functional currency of the entity is a currency other than US dollars. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The investment in listed and unlisted equity securities are not significant.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company assesses impairment based on expected credit losses (ECL) model. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix:

₹ in crore

Trade receivables-Days past due	As at March 31, 2020 Expected credit loss	Average %	As at March 31, 2019 Expected credit loss	Average %
Current	4	0.61%	2	0.34%
0-60 Days	3	1.56%	2	0.95%
61-180 days	12	6.62%	7	4.90%
181-270 days	4	18.34%	3	14.53%
more than 270 Days	97	68.79%	94	75.42%
Total	**120**		**108**	

The Company has assessed the impact of COVID-19 pandemic on expected credit losses on its trade receivables on a collective basis. This amounted to ₹ 3 crore and is included in the provision for expected credit loss of ₹ 120 crore as March 31, 2020.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020, March 31, 2019 is the carrying amounts as illustrated in Note 10 except for financial guarantees and derivative financial instruments.

Notes to Standalone Financial Statements
for the year ended March 31, 2020

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in crore

As at March 31, 2020	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (refer note 14)	539	209	249	997
Other financial liabilities (refer note 15)	401	3	-	404
Trade and other payables (refer note 17 and 18)	3,297	-	-	3,297
	4,237	**212**	**249**	**4,698**

₹ in crore

As at March 31, 2019	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (refer note 14)	907	209	249	1,365
Other financial liabilities (refer note 15)	429	4	-	433
Trade and other payables (refer note 17 and 18)	2,817	-	-	2,817
	4,153	**213**	**249**	**4,615**

42. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2020 and March 31, 2019.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Borrowings (refer notes 14 and 15)	1,030	1,638
Less: cash and cash equivalents (Note 11)	(138)	(77)
Net debt	**892**	**1,561**
Equity (Note 12 and 13)	8,024	7,972
Total capital	**8,024**	**7,972**
Capital and net debt	8,916	9,533
Gearing ratio	**10%**	**16%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

43. EXCEPTIONAL ITEMS

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Amount payable as per final order of towards compensation to Gujarat Pollution Control Board	10	-
Amount payable for proceeding before Patent Trial & Appeal Board	-	4
	10	**4**

44. FOREIGN EXCHANGE MANAGEMENT ACT

In January 2013, the Company had received a show cause notice from the Directorate of Enforcement, alleging that the Company had contravened certain provisions of Foreign Exchange Management Act, 1999 with regard to foreign direct investment made and utilisation of proceeds of FCCB / ECB. The Company had replied to the show cause notice and had personal hearings to represent their matter and filed written submissions on the basis of which Directorate of Enforcement vide order dated February 28, 2018 has dropped all the charges levied against the Company.

45. AMALGAMATION WITH ADVANTA LIMITED

The Hon'ble High Court of Gujarat vide its order dated June 23, 2016 had sanctioned the Scheme of Amalgamation of Advanta Limited with the Company with an appointed date of April 1, 2015. In accordance with the provisions of the scheme and as approved by the High Court, the amalgamation was accounted for under the purchase method specified in Accounting Standard 14 - 'Accounting for Amalgamations' which is different from Ind AS 103 'Business Combinations'. As per the Court approval the goodwill arising on amalgamation is being amortised over a period of ten years from the appointed date, which is not amortised under Ind AS 103 but only tested for impairment.

If the Company had accounted for amalgamation as per Ind AS 103, profit for the years ended March 31, 2020 and March 31, 2019 would have been higher by ₹ 370 crore respectively and goodwill and equity as at March 31, 2020 and March 31, 2019 would have been higher ₹ 1,842 crore and ₹ 1,485 crore respectively.

46. CSR EXPENDITURE:

Details of CSR expenditure:

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the company during the year	9	5
	9	**5**

	Year ended March 31, 2020		
	In cash	Yet to be paid in Cash	Total
Amount spent during the year			
Construction/acquisition of any asset	-	-	-
On purposes other than above	16	0	16
	16	**0**	**16**

	Year ended March 31, 2019		
	In cash	Yet to be paid in Cash	Total
Amount spent during the year			
Construction/acquisition of any asset	-	-	-
On purposes other than above	17	1	18
	17	**1**	**18**

47. SEGMENT INFORMATION

1. Information about operating business segments

₹ in crore

	Year ended March 31, 2020				Year ended March 31, 2019			
	Agro Activity	Non Agro Activity	Unallocated	Total	Agro Activity	Non Agro Activity	Unallocated	Total
Revenue								
External-revenue from contracts with customers	8,854	651	1	9,506	7,934	600	-	8,534
External-revenue from contracts with others	124	5	6	135	110	7	9	126
Inter segment	(241)	241	-	-	(285)	285	-	-
Total revenue	8,737	897	7	9,641	7,759	892	9	8,660
Segment Results								
Contribution	759	98	-	857	512	81	-	593
Add: Inter segment profit	(48)	48	-	-	(53)	53	-	-
Total segment results	711	146	-	857	459	134	-	593
Unallocated income net of unallocated expenses				37				(82)
Finance costs				272				185
Exceptional items (refer note 43)				10				4
Profit before taxation				538				486
Provision for:								
Current tax				55				83
Adjustments of tax relating to earlier years				-				(3)
Deferred tax				22				1
Net profit after tax				461				405
Other information								
Segment assets	10,771	814	2,243	13,828	10,752	1,018	2,133	13,903
Segment liabilities	4,309	270	1,225	5,804	3,819	273	1,839	5,931
Capital expenditure	955	97	43	1,095	806	144	48	998
Depreciation	357	49	8	414	236	37	11	284
Amortisation	426	0	12	438	420	0	20	440
Non cash expenses other than depreciation	111	0	0	111	30	0	0	30

Notes to Standalone Financial Statements

for the year ended March 31, 2020

2. **Information about Geographical Business Segments**

₹ in crore

	Year ended March 31, 2020			Year ended March 31, 2019		
	India	Outside India	Total	India	Outside India	Total
REVENUE BY GEOGRAPHICAL MARKET						
External	4,091	5,550	9,641	3,714	4,946	8,660
Carrying amount of non current operating assets	6,151	229	6,380	5,771	280	6,051

3. **Revenues from external customers attributed to an individual material foreign countries**

₹ in crore

Countries	March 31, 2020	March 31, 2019
USA	1,463	1,081
Brazil	1,018	846
	2,481	**1,928**

4. **Notes**

(i) 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.

(ii) Segment revenue in the above segments includes sales of products net of taxes.

(iii) Inter segment revenue is taken as comparable third party average selling price for the year.

(iv) 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

(v) Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

(vi) The Company does not have any customer (other than related parties), with whom revenue from transactions is more than 10% of Company's total revenue.

(vii) Based on the "management approach" defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company's performance and allocate resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

48. LEASES

The entity has adopted Ind AS 116 "Leases" with a date of initial application of April 1, 2019. As a result, the entity has changed its accounting policy for lease contracts. The entity applied Ind AS 116 using the modified retrospective approach and recognised lease liability equal to the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. The Entity recognised a right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

A. **Transition Disclosures**

i. **Impact on financial statements**

The Company has adopted Ind AS 116 "Leases" using the modified retrospective approach with effect from April 1, 2019. There is no impact of adoption of Ind AS 116 to the retained earnings as at April 1, 2019. The Company has recognised ₹ 175 crs as lease liability and corresponding Right of Use assets on the date of transition that is April 1, 2019.The adoption of the standard has an impact of increase in total expense by ₹ 7 crs for the year ended March 31, 2020.

When measuring lease liabilities, the entity discounted lease payments using the incremental borrowing rate of the respective lease liability at April 1, 2019.

ii. The difference between the future minimum lease rental commitments towards non-cancellable leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to contracts reassessed as lease contracts under Ind AS 116, reduction due to discounting of the lease liabilities as per the requirements of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedients as per the standard.

₹ in crore

Particulars	
Operating lease commitment (non-cancellable leases) as at March 31, 2019	105
Discounted using the incremental borrowing rate (non-cancellable leases) at April 1, 2019	(21)
Net present value (non-cancellable leases) at April 1, 2019	84
Net present value (cancellable leases) at April 1, 2019	92
Lease liability recognised as at April 1, 2019	**175**

iii. **Impact of adoption of Ind AS 116 for the year ended March 31, 2020 is as follows-**

₹ in crore

Particulars	
Decrease in rent expenses by	(46)
Increase in finance cost by	14
Increase in deprecation by	39
Increase in total expenses by	**7**

iv. **Practical expedients opted by the Company**

(a) Separation of non-lease components from lease components

(b) Application of standard on a portfolio of leases with similar characteristics

(c) Reassessment whether a contract contains a lease as at the date of initial application i.e. 01.04.2019

(d) Non application of Ind AS 116 for the leases for which the remaining lease term is less than 12 months as on the date of initial application.

(e) The Company has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(f) Use of hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

48. LEASES (Contd.)

B. Leases as lessee

Qualitative Note: Nature of the lessee's leasing activities.

i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

₹ in crore

Particulars	Land and Building	Plant and Machinery	Vehicles	Office equipment
Adoption of Ind AS 116 "Leases" (as on April 1, 2019)	161	0	14	0
Depreciation charge for the year	(33)	(0)	(6)	(0)
Additions to right of use assets	0	-	-	-
Derecognition of right of use assets	(31)	-	-	-
Balance at March 31, 2020	97	0	8	0

* Leasehold land is included under Note 3 Property, plant and equipment.

ii. Lease liability

Maturity analysis of lease liability - undiscounted contractual cash flows

₹ in crore

Particulars	March 31, 2020
Less than one year	42
One to three years	68
More than three years	25
Total undiscounted cash flows	**135**
DISCOUNTED LEASE LIABILITIES AS AT MARCH 31, 2020	
Current	31
Non-current	82

iii. Amount recognised in profit or loss

Income from sub-leasing right-of-use assets presented in 'other revenue' ₹ Nil crore.

Lease expenses recognised in statement of profit and loss account not included in the measurement of lease liability:

₹ in crore

Particulars	Year ended March 31, 2020
Short-term lease rent expense	49
	49

Depreciation and impairment losses

₹ in crore

Particulars	Year ended March 31, 2020
Depreciation of right of use lease asset	39
	39

Finance cost

₹ in crore

Particulars	Year ended March 31, 2020
Interest expense on lease liability	14
	14

Notes to Standalone Financial Statements
for the year ended March 31, 2020

48. LEASES (Contd.)

iv. Amount recognised in statement of cash flows

₹ in crore

Particulars	Year ended March 31, 2020
Cash outflow for short-term leases	49
Principal component of Cash outflow for long-term leases	46
Total cash outflow for leases	**95**

49. GOODWILL IMPAIRMENT

For the purpose of impairment testing, goodwill has been allocated to the Company's CGU of ₹ 1,855 crs.

The recoverable amount of the CGUs have been determined based on the value in use, determining by discounting the future cash flows to be generated from the continuing use of the CGU. Discount rates reflect Management's estimate of risk specific to each CGU. The key assumptions used in the estimation of the recoverable amount are set out below.

₹ in crore

	Growth Rate	Discount rate
	March 31, 2020	March 31, 2019
Cash Generating Unit (CGU)	8%-12%	13%-14%

The discount rate reflect management's estimate of risk specific to each CGU. The cashflow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on Management's estimate of the long term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

50. INCOME TAX

On January 22, 2020, the Income Tax Department conducted searches at the premises of the Company. The Company has not received any formal communication in this regard and hence no adjustments have been made in the standalone financial statement as on March 31, 2020.

51. IMPACT OF COVID-19 (GLOBAL PANDEMIC)

The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19. Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures. The Company's crop protection and seeds businesses has been classified as an 'essential commodity', at par with medical equipment/ medicine, food chain, etc. As of today, all production facilities in various parts of the country remains in operation, following enhanced internal safety guidelines. The Company follows a multi-sourcing strategy for active ingredients and raw materials allowing the Company to hedge supply risks and ensure reliable supply. The Company also maintains strategic safety stocks to ensure availability of raw materials and formulated products. During this period, the Company continued sales of their products and does not expect any material adverse impact at this point of time. Considering the liquidity position as at March 31, 2020 and expectation of cash generation from operations, the Company believes that it has ability to service debt and other financing arrangements during the current financial year.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

52. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

₹ in crore

	As at March 31, 2020	As at March 31, 2019
The principal 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	64	26
Interest due on above, current year ₹ 0 (March 31, 2019: ₹ 0)	0	0
Total	64	26
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	-	-
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, current year ₹ 0 (March 31, 2019: ₹ 0)	-	-
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.	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as Micro, and Small enterprises on the basis of information available with the Company.

In terms of our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
DIN No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
DIN No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Independent Auditors' Report

To the Members of
UPL Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of UPL Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at March 31, 2020 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates, joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates, joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTER

Revenue recognition, rebates and sales returns

Refer note 2.1 and 2.3 (d) to accounting policies and note 21 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition • The timing of revenue recognition is relevant to the reported performance of the Group. • We identified revenue recognition as a key audit matter because of quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognised.	Our procedures included the following: • We assessed the compliance of the revenue recognition accounting policies against the requirements of Indian Accounting Standards ("Ind AS"). • We evaluated the design and operating effectiveness of the relevant key financial controls with respect to revenue recognition on selected transactions. • Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records. • We tested the accuracy of revenue recognised around year end. On a sample basis, we have verified recognition of revenue in the correct accounting period. • We assessed the adequacy of disclosures in the consolidated financial statements against the requirements of Ind AS 115, Revenue from contracts with customers.
Rebates and sales returns • The Group provides rebates to various customers in terms of formal agreements. The recognition and measurement of rebates, including establishing an accrual at year end, involves significant judgement and estimates, particularly the expected level of rebates of each of the customers. • As disclosed in Note 2.1 to the consolidated financial statements, revenue is recognised net of sales returns. Estimation of sales returns involves significant judgement and estimates. • The value of rebates and sales returns together with the level of judgement involved resulted in rebates and sales returns being a key audit matter.	Our procedures included the following: • Understanding the process followed by the Group for identifying and determining the value of rebates and sales returns. • We evaluated the design and tested the operating effectiveness of the relevant key financial controls with respect to recognition and accrual of the rebate expense and sales returns. • We tested the data used by the Group in assessing the provision for rebates and sales returns for completeness and accuracy by agreeing the invoices for the rebate and sales returns to the formal agreements; • On a sample basis, we evaluated the basis of rebate and sales return provision by agreeing amounts recognised to the terms of agreements and approvals. • We have verified the assumptions and judgements used in the sales return provision by comparing against historical trends returns and subsequent actual sales returns. • We compared year end customer rebate accruals and rebate costs in the year to prior year actual rebate payments to assess the accuracy of the accrual against actual rebates paid.

Existence and valuation of inventory

Refer notes 2.1 and 2.3 (l) to the accounting policies and note 9 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
• The Group operates in various geographies globally and consequently holds inventory at various locations. The Group has a plan wherein inventory is verified on a periodic basis to ascertain the existence of inventory. • Inventory valuation involves significant assumptions and estimations made by the Group which include identifying obsolete inventory, slow moving inventory and inventory not suitable for use. • The Group also makes an estimate for slow moving inventory based on the age of the inventory. • We have identified inventory as a key audit matter because of the number of locations at which inventory is stored, and the judgement applied in the valuation of inventory.	Our procedures included the following: • We assessed the inventories accounting policies and evaluated compliance with the requirements of Ind AS. • We evaluated the design and the operating effectiveness of the relevant key financial controls with respect to physical verification of inventory, valuation of inventory, including the provision for obsolete and slow-moving inventory. • For locations selected using statistical sampling, we observed physical verification of inventory conducted by the Group as at the year end. Furthermore, for inventory held by third parties we verified the quantity of inventory on hand against independent inventory statements. • We obtained the system generated inventory ageing report and analyzed the ageing profile of inventories to identify slow and obsolete inventory. Using the aged system report, we assessed the adequacy of the allowance for obsolete and slow-moving inventory items.

Impairment of trade receivables

Refer notes 2.1 and 2.3 (r) to the accounting policies and notes 10 and 46 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
• Trade receivables amount to approximately ₹ 13,135 crore and the expected credit loss amounts to approximately ₹ 1,078 crore as at March 31, 2020. • The Group has applied a simplified ECL model to determine the impairment against trade receivables at the reporting date. • The expected credit loss (ECL) model involves the use of various assumptions and study of historical observed default rates over the expected life of the trade receivables. • The significant judgements include the assessment for the forward-looking estimates. • Due to the significance of trade receivables and the significant judgement involved in determining the ECL, the impairment of trade receivables was considered to be a key audit matter.	Our procedures included the following: • We assessed the design and implementation and tested the operating effectiveness of the Group's relevant key financial controls around the ECL allowance. • We critically assessed the ECL model developed by the Group and verified with the requirements of Ind AS 109, Financial Instruments. • We tested key assumptions and judgements, such as those used to assess the likelihood of default and loss on default by comparing to historical data. • We involved our IT specialists to test the system generated ageing report used in assessing the ECL allowance and the system controls around the processing of data used for ECL and evaluating the output generated thereof. • We considered the adequacy of the disclosures in the consolidated financial statements against the requirements of Ind AS 109, Financial Instruments and Ind AS 107, Financial Instruments Disclosures.

Business combinations– Acquisition of Arysta LifeScience

Refer note 2.1 and 2.3(a) to the accounting policies and note 41 (ii) to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group in the prior year acquired Arysta LifeScience. The purchase price allocation was performed on a provisional basis for the March 31, 2019 financial year. During the current year the purchase price allocation was finalised. The Group has retrospectively revised the prior year comparative to reflect the final acquisition-date fair values of the acquired assets and liabilities. The final consideration amounted to ₹ 31,615 crore resulting in goodwill being recognised of ₹ 16,653 crore. The Group accounted for this acquisition as a business combination as per Ind AS 103, Business Combinations. The Group recognised identifiable assets and liabilities (including intangible assets) acquired at fair value (refer to note 41 to the consolidated financial statements). The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental. Fair value was determined by the Group with the assistance of an external valuation expert using various valuation models, which were applied according to the assets and liabilities being measured. Given the complexity and judgement involved in determining the fair value measurements and magnitude of the acquisition made by the Group, this was considered a key audit matter.	Our procedures included the following: • We scrutinised the documents pertaining to the acquisition to understand the key terms and conditions of the acquisition. • We assessed the competence, capabilities and objectivity of the valuation expert engaged by the Group and gained an understanding of the work of the expert by verifying the valuation report. • We involved our valuation specialist to verify and comment on the fair value of the identifiable assets and liabilities. • We verified the accounting treatment adopted in respect of the final acquisition date accounting and the adequacy of the Group's disclosures in respect of the acquisition against the requirements of Ind AS 103, Business Combinations.

Valuation of goodwill

Refer notes 2.1 and 2.3(a) to the accounting policies and note 4 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group has goodwill of ₹ 18,241 crore as at March 31, 2020. In accordance with Ind AS, the Group has allocated the goodwill to their respective cash generating units (CGU) and tested these for impairment using a discounted cash flow model. The Group compares the carrying value of these assets with their respective recoverable amount. The inputs to the impairment testing model include: a) Future cash flows and growth rate; and b) Discount rate applied to the projected cash flows. The impairment test model includes sensitivity testing of key assumptions. The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because: • the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain; and • the significance of the balance to the consolidated financial statements.	Our procedures included the following: • We assessed the Group's methodology applied in determining the CGUs to which these assets are allocated. • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; • We compared the cash flow forecasts to approved budgets and other relevant market and economic information. • We evaluated the sensitivities of the assumptions relative to the recoverable value by performing sensitivity testing. • We involved our valuation specialist to assess the assumptions and methodology used by the Group to determine the recoverable amount. • We assessed the adequacy of the Group's disclosures related to the impairment tests and their compliance with Ind AS.

OTHER INFORMATION

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

(a) We did not audit the financial statements/financial information of 205 subsidiaries, whose financial statements/financial information reflect total assets of ₹ 125,669 crore as at March 31, 2020, total revenues of ₹ 49,618 crore, respectively before giving effect to the consolidated adjustments, and net cash inflows (net) amounting to ₹ 2,998 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 3 crore for the year ended March 31, 2020, in respect of 17 associates and 3 joint ventures, whose financial statements/

financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures is based solely on the audit reports of the other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted this financial statements/financial information of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 37B to the consolidated financial statements.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 7 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended March 31, 2020.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended March 31, 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

   In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

Annexure A to the Independent Auditors' Report on the consolidated financial statements of UPL Limited for the period ended March 31, 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of UPL Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of UPL Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associate companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 12 subsidiary companies and 5 associate companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

Consolidated Balance Sheet

as at March 31, 2020

₹ in crore

	Notes	As at March 31, 2020	As at March 31, 2019 Revised*
Assets			
Non-current assets			
Property, plant and equipment	3	5,596	4,690
Capital work-in-progress	3	1,059	1,166
Goodwill	4	18,241	16,627
Other intangible assets	4	10,842	10,832
Right of use assets	49	642	-
Intangible assets under development	4	1,014	689
Investments accounted for using the equity method	5	360	408
Financial assets			
(i) Investments	5	198	298
(ii) Trade receivables	10	190	4
(iii) Loans	6	157	156
(iv) Other financial assets	7	123	235
Current tax assets (net)		289	327
Deferred tax assets (net)	18	1,655	731
Other non-current assets	8A	476	281
Total non-current assets		**40,842**	**36,444**
Current assets			
Inventories	9	7,850	9,133
Financial assets			
(i) Investments	5	0	2
(ii) Trade receivables	10	11,867	11,679
(iii) Cash and cash equivalents	11	6,724	2,826
(iv) Bank balance other than cash and cash equivalents	11A	28	25
(v) Loans	6	40	51
(vi) Other financial assets	7	801	310
Current tax assets (net)		87	486
Other current assets	8A	1,793	2,184
Total current assets		**29,190**	**26,696**
Assets classified as held for sale	8B	51	26
Total Assets		**70,083**	**63,166**
Equity and liabilities			
Equity			
Equity share capital	12	153	102
Perpetual Subordinated Capital Securities	12A	2,986	-
Other equity	13	16,143	14,613
Equity attributable to owners of the parent		**19,282**	**14,715**
Non-controlling interests		3,312	3,454
Total Equity		**22,594**	**18,169**
Liabilities			
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	15	27,371	26,383
(iii) Other financial liabilities	16	45	136
(iii) Lease liabilities	49	586	-
Provisions	17	24	20
Deferred tax liabilities (net)	18	2,777	2,197
Total non-current liabilities		**30,803**	**28,736**
Current liabilities			
Financial liabilities			
(i) Borrowings	15	1,298	2,478
(ii) Trade payables	19		
Total outstanding dues of Micro enterprises and Small enterprises		64	26
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		10,169	9,821
(iii) Other financial liabilities	16	1,654	1,497
(iv) Current maturities of lease obligation	49	96	-
Provisions	17	1,110	912
Other current liabilities	20	1,910	931
Current tax liabilities (net)		385	596
		16,686	**16,261**
Total liabilities		47,489	44,997
Total equity and liabilities		**70,083**	**63,166**
* Refer Note 41			
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of these consolidated financial statements	1 - 49		

As per our report of even date attached.
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN No.: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

R.D. Shroff
Chairman & Managing Director
Din No.: 00180810
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

A.C. Ashar
Whole-time Director
Din No.: 00192088
Place: Mumbai

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

₹ in crore

	Notes	Year ended March 31, 2020	Year ended March 31, 2019 Revised*
Revenue			
Revenue from operations	21	35,756	21,837
Other income	22	104	240
Total Income		**35,860**	**22,077**
Expenses			
Cost of materials and components consumed (including (increase)/decrease in inventory of finished goods, work-in-progress and traded goods and purchase of stock-in-trade)		18,743	10,904
Employee benefits expenses	23	3,391	2,095
Finance costs	24	1,481	963
Impairment loss on trade receivables	10	49	(31)
Depreciation and amortisation expenses	25	2,012	880
Other expenses	26	6,800	5,056
Total Expenses		**32,476**	**19,867**
Profit before share of loss of equity accounted investee, exceptional items and tax		3,384	2,210
Share of Profit/(Loss) of equity accounted investees (net of income tax)	33 & 34	3	14
Profit before exceptional items and tax		**3,387**	**2,224**
Exceptional items	27	623	451
Profit before tax		**2,764**	**1,773**
Tax expenses		586	198
Current tax	18	759	442
Adjustments of tax relating to earlier years	18	8	(4)
Deferred tax	18	(181)	(240)
Profit for the year		**2,178**	**1,575**
Other comprehensive income (OCI)			
A (i) Items that will not be reclassified subsequently to profit or loss	28	(118)	(59)
(ii) Income tax relating to items that will not be reclassified to profit or loss	28, 18	9	2
B (i) Items that will be reclassified subsequently to profit or loss	28	(150)	(798)
(ii) Income tax relating to items that will be reclassified to profit or loss	28	-	-
Total other Comprehensive Income for the year, net of tax		**(259)**	**(855)**
Total Comprehensive Income for the year		**1,919**	**720**
Profit for the year		2,178	1,575
Attributable to:			
Owners of the parent		1,776	1,491
Non-controlling interests		402	84
Total comprehensive income for the year		1,919	720
Attributable to:			
Owners of the parent		1,616	636
Non-controlling interests		303	84
Earnings per equity share	29		
Basic		23.24	19.52
Diluted		23.24	19.52
* Refer Note 41			
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of these consolidated financial statements.	1 - 49		

As per our report of even date attached.
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN No.: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

R.D. Shroff
Chairman & Managing Director
Din No.: 00180810
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

A.C. Ashar
Whole-time Director
Din No.: 00192088
Place: Mumbai

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A. EQUITY SHARE CAPITAL

	Equity Shares of ₹ 2 each	
	Nos.	₹ in crore
At April 1, 2018	509,333,081	102
Changes during the previous year	9,589	-
At March 31, 2019	**509,342,670**	**102**
Changes during the year	254,702,786	51
At March 31, 2020	**764,045,456**	**153**

B. OTHER EQUITY

₹ in crore

For the year ended March 31, 2020	Attributable to the owners of the parent												Non-controlling interest	Total other equity
	Reserves & Surplus								Items of OCI			Total		
	Capital redemption reserve	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Share-based payment reserve	Non-controlling interest reserve	Retained earnings	Cashflow hedge reserve for OCI	Equity Instruments through other comprehensive income	Exchange differences on translation of a foreign operation			
As at April 1, 2019	45	177	4,607	140	1,848	0	(3,693)	12,350	(62)	(104)	(693)	14,613	3,454	18,067
Uncertainty over Income Tax Treatment (Refer Note 2.4 (d))	-	-	-	-	-	-	-	(38)	-	-	-	(38)	-	(38)
	45	**177**	**4,607**	**140**	**1,848**	**0**	**(3,693)**	**12,312**	**(62)**	**(104)**	**(693)**	**14,575**	**3,454**	**18,028**
Profit for the year	-	-	-	-	-	-	-	1,776	-	-	-	1,776	402	2,177
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(6)	(116)	(79)	41	(160)	(99)	(259)
Total comprehensive income	-	-	-	-	-	-	-	**1,770**	**(116)**	**(79)**	**41**	**1,616**	**302**	**1,918**
Dividends paid during the year	-	-	-	-	-	-	-	(328)	-	-	-	(328)	(128)	(457)
Issue of Bonus Shares	(38)	-	(13)	-	-	-	-	-	-	-	-	(50)	-	(50)
Gain on reduction in NCI due to merger of two subsidiaries	-	-	-	-	-	-	-	316	-	-	-	316	(316)	0
Foreign exchange impact	-	14	-	-	-	-	-	-	-	-		14	0	14
As at March 31, 2020	**6**	**190**	**4,594**	**140**	**1,848**	**0**	**(3,693)**	**14,070**	**(178)**	**(183)**	**(652)**	**16,143**	**3,312**	**19,455**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

₹ in crore

For the year ended March 31 2019 Revised *	Attributable to the owners of the parent												Non-controlling interest	Total other equity
	Reserves & Surplus								Items of OCI			Total		
	Capital redemption reserve	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Share-based payment reserve	Non-controlling interest reserve	Retained earnings	Cashflow hedge reserve for OCI	Equity Instruments through other comprehensive income	Exchange differences on translation of a foreign operation			
As at April 1, 2018	45	193	4,607	141	1,848	0	(3,693)	5,927	-	(44)	43	9,067	19	9,086
Profit for the year	-	-	-	-	-	-	-	1,447	-	-	-	1,447	72	1,519
On account of Purchase Price Allocation (Refer Note 41)	-	-	-	-	-	-	-	44	-	-	-	44	12	56
Other comprehensive income(net of tax)	-	-	-	-	-	-	-	3	(62)	(60)	(736)	(855)	(18)	(873)
Total comprehensive income	-	-	-	-	-	-	-	**1,494**	**(62)**	**(60)**	**(736)**	**636**	**67**	**703**
Dividends paid during the previous year	-	-	-	-	-	-	-	(407)	-	-	-	(407)	(17)	(424)
Transfer to retained earnings	-	-	-	(1)	-	-	-	1	-	-	-	-	-	-
Foreign exchange impact	-	(16)	-	-	-	-	-	-	-	-	-	(16)	(218)	(234)
Gain on equity dilution in subsidiary	-	-	-	-	-	-	-	5,335	-	-	-	5,335	3,023	8,358
Recognition of NCI on Arysta acquisition	-	-	-	-	-	-	-	-	-	-	-	-	496	496
Revision due to finalisation of purchase price allocation accounting for acquisition of Arysta *	-	-	-	-	-	-	-	-	-	-	-	-	84	84
As at March 31, 2019	**45**	**177**	**4,607**	**140**	**1,848**	**0**	**(3,693)**	**12,350**	**(62)**	**(104)**	**(693)**	**14,613**	**3,454**	**18,067**

Notes:

(i) During the previous year, the company's wholly owned subsidiary UPL Corporation Limited made a fresh issue of capital thereby reducing the group's stake to 78%. The difference between the share of net assets and all funds infused has been credited to retained earnings.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report on even date attached.

* Refer Note 41

For **B S R & Co. LLP**
Chartered Accountants
Firm registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN No.: 20042070AAAABL2696
Place: Mumbai
Date: May 22, 2020

R.D. Shroff
Chairman & Managing Director
Din No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
Din No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Cash Flows

for the year ended March 31, 2020

₹ in crore

Sr. No.	Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019 Revised*	
A	**Cash Flow from operating activities**				
	Profit before exceptional items and tax		3,384		2,210
	Adjustments for:				
	Depreciation and amortisation expense	2,012		880	
	Finance costs	1,481		963	
	Allowance for doubtful debts and advances (net)	(2)		(41)	
	Assets written off	19		10	
	Bad debts written off	51		10	
	Gain on disposal of property, plant and equipment	(3)		(3)	
	Interest Income	(86)		(137)	
	Unwinding of interest on trade receivables	3		(82)	
	Manufacturing expenses capitalised	48		(29)	
	Excess provisions in respect of earlier years written back (net)	(8)		(36)	
	Sundry credit balances written off (net)	4		(12)	
	Loss/(Gain) on sale of current and non-current investments (net)	(6)		(9)	
			3,513		**1,515**
	Operating profit before working capital changes		**6,897**		**3,725**
	Working capital adjustments				
	(Increase)/Decrease in inventories	1,355		(674)	
	(Increase)/Decrease in non-current and current trade receivables	(313)		370	
	(Increase)/Decrease in other non-current and current assets	(60)		(324)	
	(Increase)/Decrease in other non-current and current financial assets	15		(30)	
	Increase/(decrease) in non-current and current trade payables	119		277	
	Increase/(decrease) in non-current and current provisions	(32)		13	
	Increase/(decrease) in other current liabilities	1,187		(28)	
	Increase/(decrease) in other non-current and current financial liabilities	779		(167)	
			3,050		**(564)**
	Cash generated from operations		9,947		3,161
	Income taxes paid (net)		(819)		(354)
	Cash flow before exceptional items		9,128		2,807
	Exceptional items		(389)		(451)
	Net cash flow from operating activities		**8,739**		**2,356**
B	**Cash flow from investing activities**				
	Purchase of Property, plant and equipment including Capital-work-in-progress and capital advances		(1,475)		(1,370)
	Purchase of intangible assets including assets under development		(505)		(205)
	Proceeds from sale of property, plant and equipment		45		22
	Payment for acquisition of subsidiaries, net of cash acquired**		(761)		(29,941)
	Payment of contingent consideration		(94)		(54)
	Purchase of equity shares of equity accounted investees		-		(4)
	Purchase of investments		(9)		(96)
	Proceeds from sale of non-current investments and subsidiary		63		427
	Sundry loans given		(12)		424
	Sundry loans repayment received		17		(317)
	Fixed deposit, margin money and dividend accounts (net)		(3)		10
	Profit on sale of investment in mutual funds/bonds		6		9
	Interest income		85		175
	Net cash flow (used in) investing activities		**(2,643)**		**(30,920)**
C	**Cash flow from financing activities**				
	Proceeds from long term borrowings		-		20,736
	Repayment of long term borrowings		(1,667)		(78)
	Short term borrowings (net)		(1,203)		1,308
	Issue of Perpetual Subordinated Capital Securities		3,027		-
	Expenses on Issuance of Perpetual Subordinated Capital Securities		(40)		-
	Interest paid and other financial charges		(1,646)		(1,007)
	Payment of principal portion of lease liabilities		(189)		-

Consolidated Statement of Cash Flows

for the year ended March 31, 2020

₹ in crore

Sr. No.	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 Revised*
	Dividend paid to non-controlling shareholders by subsidiaries	(50)	(17)
	Dividends paid	(407)	(407)
	Proceeds from issue of shares of subsidiary to Non-Controlling Interest (Refer Note 41)	-	8,358
	Net cash flow (used in)/from financing activities	**(2,175)**	**28,894**
D	Exchange difference arising on conversion debited to foreign currency translation reserve	(23)	(362)
	Net (Decrease)/Increase in cash and cash equivalents (A+B+C+D)	**3,898**	**(33)**
	Cash and cash equivalents as at the beginning of the year (Refer note 11)	2,826	2,859
	Cash and cash equivalents as at the end of the year (Refer note 11)	**6,724**	**2,826**

* Refer Note 41

**In the prior year, the Group presented ₹ 1,048 crore as cash and cash equivalents from acquired subsidiaries under movement of the balances of cash and cash equivalents between the beginning and end of the period instead of presenting cash flows on acquisition of subsidiaries net of these cash balances as an investing activity as required by Ind AS 7 Cash Flow statements. During the current year the Group has corrected this presentation in the comparative cash flow statement.

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Particulars	Notes	March 31, 2019	Cash flows	Non-cash changes				March 31, 2020
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Debentures								
Unsecured Redeemable Non-convertible Debentures (NCDs)	15 and 16	731	(240)	-	-	-	-	491
Bonds (Unsecured)								
3.25% Senior Notes	15	3,437	-	-	324	-	-	3,761
4.50% Senior Notes	15	2,045	-	-	202	-	-	2,247
Term Loan								
From Bank (Unsecured)	15	20,394	(1,398)	-	1,884	-	-	20,880
From Bank (Secured)	15	3	(2)	-	-	-	-	0
From others (Unsecured)	15	17	1	-	-	-	-	18
Finance Lease obligation	34	34	(27)	-	-	-	-	7
Cash credit, packing credit and working capital demand loan accounts and Commercial Papers	15	2,166	(1,141)	-	-	-	23	1,048
Discounted Trade Receivables	15	312	(63)	-	-	-	-	250
Interest paid and other financial charges	16	181	(1,646)	-	-	-	1,574	110
Total liabilities from financing activities		**29,321**	**(4,516)**	**-**	**2,410**	**-**	**1,597**	**28,812**

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash flows.

(ii) Figures in brackets represent cash outflow

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN No.: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
Din No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
Din No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

UPL Limited (the Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 3-11, G.I.D.C., Vapi, Dist.- Valsad, Gujarat. The consolidated financial statements comprise the financial statements of UPL Limited ('the Company' or 'the holding Company' or "the parent") and its subsidiaries (collectively, 'the Group'), its associates and joint ventures as at and for the year ended March 31, 2020.

The Group is principally engaged in the business of agrochemicals, industrial chemicals, chemical intermediates, speciality chemicals and production and sale of field crops and vegetable seeds. Information on the Group's structure is provided in Note 31.

The consolidated financial statements were authorised for issue in accordance with the resolution of the directors on May 22, 2020.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and
- Consideration for business combination (including contingent consideration).
- Assets and Liabilities acquired in business combination.

The Group conducts it's business with customers in 100+ countries with manufacturing facilities in 7 locations across the globe supplying intermediate and or finished products which are further processed / packaged prior to sale. Given this Group structure, purchases could be in raw material, intermediate product or finished goods form and disclosing increase/decrease in inventory of finished goods, work-in-progress and traded goods and purchase of stock-in-trade is not practicable. Hence, cost of materials and components consumed is disclosed as a single figure.

All accounting policies followed are consistent with that of the previous year except for the change in accounting policy due to adoption of Ind AS 116. Refer Note 2.4

The consolidated financial statements are presented in Indian Rupees ['₹'] which is also the Company's functional currency and all values are rounded to the nearest crore, except when otherwise indicated. Wherever an amount is represented as '0' (zero), it construes a value less than rupees fifty lakh.

Significant accounting estimates, assumptions and judgements

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plan (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 35 for details of the key assumptions used in determining the accounting for these plans.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 and 45 for further disclosures.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provision for sales return and rebates

The Group recognises the accruals for discount / incentives and returns based on accumulated experience and underlying schemes and agreements with customers. Refer Note 21.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Determining the fair value less costs to sell of the held for sale assets based on significant observable inputs

The fair value of assets held for sale are recognised at fair value less cost of disposal. These assets are planned to be disposed of to settle customers recoverable amount.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, associates and joint ventures as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control and until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of each of the subsidiaries, associates and joint ventures, other than Sinagro Produtos Agropecuarios SA. Group, 3SB Produtos Agricolas SA and Serra Bonita Sementes SA used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31. The audited consolidated financial statements of Sinagro Produtos Agropecuarios SA. Group, audited financial statements of 3SB Produtos Agricolas SA and Serra Bonita Sementes SA for the year ended December 31, 2019 have been considered for the purpose of consolidation after making necessary adjustments for the effects of significant transactions or events, if any that occur till the reporting date of the group i.e. March 31.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The Business combinations policy explains how the group accounts for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit or loss.

Notes to Consolidated Financial Statements
for the year ended March 31, 2020

2.3 Summary of significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

The consideration transferred does not include amount related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in statement of profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and any difference subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of identifiable assets acquired net of fair value of liabilities assumed. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence, of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b. Investment in associates and joint ventures

The group's interest in equity in investees comprise interests in associates and joint ventures. An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the group has joint control and has right to the net assets of the arrangement, rather than the right to its assets and obligations for its liabilities. Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence or joint control ceases.

c. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

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 identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is stated inclusive of excise duty and excludes sales tax/ value added tax (VAT)/Goods and Service Tax (GST).

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on shipment.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/ incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Rendering of services

Income from services are recognised as and when the services are rendered.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Export Incentive

Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head “Revenue from Operations” as ‘Export Incentive’

Dividends and Royalties

Dividend income is recognised when the Company’s right to receive the payment is established, which is generally when shareholders approve the dividend. Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

e. Assets classified as held for sale

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal of Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale to owners are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

f. Property, plant and equipment

Items of Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost, is not depreciated and is assessed for impairment. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

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 periods of 99 years at the end of the lease periods of 99 years, without /with marginal payment of further premium.

(ii) Other Assets:

The Group depreciates on a straight line method based on following estimated useful life of assets.

Sr. No.	Nature of tangible Assets	Useful Life (years)
1.	Aircraft	8 Years
2.	Building	18 - 60 Years
3.	Furniture, Fixtures & Equipment	3 - 15 Years
4.	Improvements-Leasehold	6 - 10 Years
5.	Laboratory Equipment	10 Years
6.	Land-Leasehold	50 years or term of lease if shorter
7.	Office Equipment	3 - 33 Years
8.	Plant and Equipment	3 - 25 Years
9.	Vehicles	3 - 15 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g. Intangible assets

i) Goodwill

- Goodwill is initially measured at cost, being the excess of the aggregate fair value of the consideration transferred over the net of fair value of identifiable assets acquired and liabilities assumed. (Refer 2.3(a) - Accounting policy for Business Combination and Goodwill)
- Subsequent measurement is at cost less accumulated impairment losses.
- Goodwill is not amortised and is tested for impairment annually.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

ii) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

The residual value, amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

The useful life of brands that the Group holds currently have been determined to be indefinite as the Company expects to generate future economic benefits indefinitely from these assets. Intangible assets with indefinite lives are reviewed annually to determine whether indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure can be capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment loss.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Group's intangible assets is as follows:-

Intangible assets	Useful life	Amortisation method
Product Acquisitions	Fifteen years	Amortised on straight-line basis from the month of additions to match their future economic benefits
Germ plasm	Ten to fifteen years	Amortised on straight-line basis
Other Intangible assets	Three to Five years	Amortised on straight-line basis
Intellectual Property Rights/ technology	Fifteen years	Amortised on straight-line basis
Distribution Network/ Customer Relationships	Fifteen years	Amortised on straight-line basis
Non compete	Five Years	Amortised on straight-line basis
Brand	Infinite	To be tested for impairment

h. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. **Foreign currencies**

The Group's consolidated financial statements are presented in Indian Rupee (₹), which is also the Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities 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 foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognised as income or expenses in the statement of profit or loss except for exchange differences arising on a monetary item which, in substance, forms part of the Group's net investment in a foreign operation which is accumulated in a Foreign Currency Translation Reserve until the disposal of the net investment. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Exchange difference on such contracts are recognised in the statements of profit or loss in the year in which the exchange rate changes. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expenses for the year.

Foreign exchange differences on foreign currency borrowings, loans given/taken, settlement gain/loss and fair value gain/losses on derivative contracts relating to borrowings are accounted and disclosed under 'finance cost'.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses a monthly average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the statement of profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

j. **Fair value measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date on a mark-to-market basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Contingent consideration (note 41)
- Quantitative disclosures of fair value measurement hierarchy (note 45)
- Financial instruments (including those carried at amortised cost) (note 5, 6, 7, 10, 11, 11A, 15, 16, 19, 44, 45, 46, 47)

k. Leases

The Group has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 116. The details of accounting policies under Ind AS 116 are disclosed separately.

Policy applicable from April 1, 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after April 1, 2019.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before April 1, 2019

For contracts entered into before April 1, 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a lessee

In the comparative period, as a lessee the Group classified leases that transferred substantially all of the risks and rewards of ownership as finance leases, When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

On April 1, 2019 i.e. the date of transition to Ind AS 116, below were the amounts recognised as Right of Use Asset and Lease Liability –

Description	Amount ₹ crore
Land & Building	417
Office Equipment	7
Plant & Machinery	8
Vehicles	149
Total	**580**
Right of use lease liability	**580**

There is no impact on opening retained earnings and deferred taxes on the transition date.

l. Inventories

(i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value. Cost is determined on moving average basis. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.

(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 cost basis which approximates the actual cost. Cost of finished goods includes excise duty, as applicable. Variances, exclusive of abnormally low volume and operating performance, are capitalised into inventory.

(iii) Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

n. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision

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to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

o. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future
- Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is reasonably certain that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become reasonable certainty that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside the statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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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 taxes relate to the same taxable entity and the same taxation authority.

Tax benefits recognised as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit or loss.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period.

p. Retirement and other employee benefits

i) Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits
The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

v) Termination benefits
Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

q. Share-based payments

Measurement and disclosure of the employee share based payment plans is done in accordance with Ind AS 102, "Share based payments". The Group measures compensation cost relating to employee stock options using the fair value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, are classified as at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 116

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as contractual revenue receivables' in these financial statements)

e) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms
- *Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:* ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

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s. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 15.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

t. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Fair value changes are recognised in the statement of profit or loss.

u. Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds are allocated to the conversion option that is recognised and included in equity if the conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

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for the year ended March 31, 2020

v. **Cash and cash equivalents**
Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

w. **Cash dividend**
The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x. **Government grants**
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

y. **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.

z. **Segment Reporting:**
Based on "Management Approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

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.

aa. **Contingent Liability and Contingent Asset:**
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

ab. **Biological Assets**
The biological assets of the Company represents the unharvested /standing crops of Corn as on the reporting date. Ind AS 41, Agriculture, requires that biological assets shall be recognised at its fair value less point of sale costs, except when there is inability to measure fair value reliably. There are neither observable market prices for these Biological assets nor are there alternative estimates of fair value that are determined to be clearly reliable that are determined to be clearly reliable that give a fair expression of the fair values. Hence, the standing crops are measured at initial recognition and at each financial reporting date at cost. This comprises any cost attributes in bringing Biological assets to its location and conditions intended by the management.

ac. **Recent accounting pronouncements**
Standards issued but not yet effective
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.4 Changes in accounting policies

a. The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.

b. Several other amendments and interpretations apply for the first time in April 1, 2019, but do not have an

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

impact on the financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

c. **Leases**
The Group applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. Accordingly, the comparative information presented for 2018 is not restated i.e. it is presented, as previously reported, under Ind AS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

Definition of a lease
Previously, the Group determined at contract inception whether an arrangement was or contained a lease under Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease. The Group now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 2.3 (k).

On transition to Ind AS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Group applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after April 1, 2019.

As a lessee
As a lessee, the Group leases many assets including Land & Building, Office Equipment, Plant & Machinery and vehicles. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities for most of these leases i.e. these leases are on-balance sheet.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

Leases classified as operating leases under Ind AS 17
Previously, the Group classified property leases as operating leases under Ind AS 17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at April 1, 2019. Right-of-use assets are measured at either:

- their carrying amount as if Ind AS 116 had been applied since the commencement date, discounted using the Group's incremental borrowing rate at the date of initial application: the Group applied this approach to its largest property lease; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments: the Group applied this approach to all other leases.

The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Group used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Group:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

For the Impact of Ind AS 116 refer Note 48

d. **Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**
The Appendix C to Ind AS 12 is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix C, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused

tax credits and tax rates. The appendix permits two possible methods of transition - i) Full retrospective approach – Under this approach, the appendix will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8

- Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of appendix C is annual periods beginning on or after April 1, 2019, though early adoption is permitted. The Group has adopted the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Appendix C to Ind AS 12 is as disclosed in the statement of changes in equity in the consolidated financial statements.

e. **Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement**

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the consolidated financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

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for the year ended March 31, 2020

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

₹ in crore

	Land-Freehold	Land-Leasehold	Building	Plant and Equipment	Laboratory Equipments	Furniture Fixtures and Equipments	Office Equipment	Vehicles	Land Improvements	Building Improvements	Aircraft	Capital Work-in-Progress	Total
Cost													
At April 1, 2018	227	163	599	4,089	86	99	119	121	18	90	74	1,090	6,775
Additions during the year	3	1	252	1,018	10	22	21	31	-	3	-	1,155	2,515
Acquisition through business combinations (Refer Note 41)	40	132	728	1,107	-	101	-	102	-	-	-	80	2,290
Disposals during the year	(0)	(2)	(1)	(88)	(1)	(5)	(5)	(10)	-	(0)	-	-	(113)
Transfers/Capitalised	-	-	-	-	-	-	-	-	-	-	-	(1,219)	(1,219)
Reclassification	-	0	(0)	2	-	(1)	-	(1)	-	-	-	44	44
Exchange differences	2	(9)	(33)	(81)	0	(5)	(1)	(8)	(1)	1	5	16	(114)
Revision due to finalisation of purchase price allocation accounting for acquisition of Arysta*	32	-	59	(47)	-	-	-	-	-	-	-	-	45
At March 31, 2019	**304**	**284**	**1,604**	**5,999**	**95**	**212**	**134**	**235**	**17**	**93**	**79**	**1,166**	**10,222**
Additions during the year	5	22	182	1,307	21	25	40	42	0	3	-	1,163	2,811
Acquisition through business combinations (Refer Note 41)	6	-	17	2	0	1	-	4	-	-	-	-	30
Disposals during the year	(0)	(8)	(26)	(103)	(1)	(7)	(11)	(21)	(0)	-	-	-	(177)
Transfers/Capitalised	-	(33)	(22)	-	-	-	-	-	-	-	-	(1,283)	(1,338)
Reclassification	5	(81)	(57)	(50)	54	(38)	75	(0)	10	68	-	-	(15)
Exchange differences	8	(1)	55	71	5	1	1	(4)	2	1	7	14	160
At March 31, 2020	**328**	**183**	**1,753**	**7,226**	**175**	**194**	**240**	**255**	**29**	**165**	**86**	**1,059**	**11,693**
Depreciation													
At April 1, 2018	**-**	**1**	**253**	**2,214**	**39**	**64**	**82**	**68**	**17**	**45**	**28**	**-**	**2,811**
Depreciation charge for the year (Refer Note 25)	-	1	28	335	7	12	17	24	0	7	10	-	441
Depreciation charge on acquired assets (Refer Note 41)	-	38	391	730	-	67	-	54	-	-	-	-	1,281
Disposals during the year	-	(0)	(1)	(71)	(1)	(4)	(5)	(8)	-	(0)	-	-	(89)
Reclassification	-	-	-	(1)	-	1	-	(1)	-	-	-	-	(1)
Exchange differences	-	(2)	(23)	(55)	(0)	(3)	(0)	(4)	(1)	0	2	-	(86)
Revision due to finalisation of purchase price allocation accounting for acquisition of Arysta*	-	-	1	(1)	-	-	-	-	-	9	-	-	10
At March 31, 2019	**-**	**38**	**649**	**3,151**	**45**	**138**	**94**	**134**	**17**	**61**	**40**	**-**	**4,367**
Depreciation charge for the year (Refer Note 25)	-	0	74	521	12	18	31	41	4	11	11	-	722
Depreciation charge on acquired assets (Refer Note 41)	-	-	4	1	0	0	-	2	-	-	-	-	8
Disposals during the year	-	(2)	(14)	(86)	(1)	(7)	(9)	(16)	0	-	-	-	(134)
Transfers	-	-	(15)	-	-	-	-	-	-	-	-	-	(15)
Reclassification	-	(35)	(22)	(62)	38	(24)	54	3	5	26	-	-	(15)
Exchange differences	-	0	28	67	2	1	2	(2)	1	3	3	-	105
At March 31, 2020	**-**	**2**	**705**	**3,592**	**97**	**127**	**172**	**162**	**27**	**101**	**54**	**-**	**5,039**
Net book value													
At March 31, 2020	328	181	1,048	3,634	78	68	69	93	2	65	31	1,059	6,655
At March 31, 2019	304	246	955	2,847	50	74	41	102	-0	32	39	1,166	5,855

Net book value

₹ crore

	March 31, 2020	March 31, 2019
Plant, property and equipment	5,596	4,690
Capital work-in-progress	1,059	1,166
Total	**6,655**	**5,856**

* Refer Note 41

Capital work-in-Progress

Capital work in progress as at March 31, 2020 and March 31, 2019 comprises expenditure for the plant and building in the course of construction.

Security

For property, plant and equipment given as security (Refer Note 15)

4. INTANGIBLE ASSETS

₹ in crore

	Goodwill**	Other Intangible Assets										
		Product Registrations	Product Acquisitions	Task Force Expenses	Software/ Licence Fees	Customer Contracts	Brands	Non-compete agreements	Germ Plasm	Others	Intangible assets under development	Total (Excl. Goodwill)
Cost												
At April 1, 2018	**432**	**3,130**	**747**	**22**	**72**	**432**	**-**	**22**	**265**	**413**	**229**	**5,332**
Acquisition through business combinations (Refer Note 41)	15,035	12,132	-	-	305	2,811	357	346	-	52	356	16,359
Additions during the year	-	151	0	-	12	-	-	-	-	2	164	328
Deductions during the year	(1)	(82)	-	-	(2)	-	-	-	-	-	-	(84)
Transfer/Capitalised	-	-	-	-	-	-	-	-	-	-	(63)	(63)
Reclassification	-	(5)	-	-	(0)	-	-	-	-	5	(44)	(44)
Foreign Exchange Adjustment	(416)	(291)	5	-	(15)	(30)	-	(3)	4	5	(25)	(349)
Revision due to finalisation of purchase price allocation accounting for acquisition of Arysta *	1,577	(11,647)	7,633	-	(144)	(1,282)	19	1	-	-	71	(5,348)
At March 31, 2019	**16,627**	**3,388**	**8,385**	**22**	**228**	**1,931**	**376**	**366**	**269**	**476**	**689**	**16,131**
Acquisition through business combinations (Refer Note 41)	80	9	6	-	-	12	2	-	-	-	-	30
Additions during the year	-	212	-	-	16	-	-	-	-	0	440	667
Deductions during the year	-	(35)	-	-	(14)	-	-	-	-	-	-	(49)
Transfer/Capitalised	-	(47)	-	-	-	-	-	-	-	-	(127)	(175)
Reclassification	-	(86)	(24)	-	4	(3)	-	(4)	-	(48)	-	(160)
Foreign Exchange Adjustment	1,534	109	736	-	13	123	35	11	4	7	13	1,052
At March 31, 2020	**18,241**	**3,550**	**9,104**	**22**	**246**	**2,064**	**413**	**374**	**273**	**435**	**1,014**	**17,496**
Amortisation												
At April 1, 2018	**-**	**2,457**	**345**	**16**	**57**	**431**	**-**	**22**	**253**	**391**	**-**	**3,972**
Amortisation on acquired intangibles (Refer Note 41)		3,809	-	-	264	280	-	96	-	35	-	4,483
Amortisation for the year (Note 25)	-	395	49	3	10	30	-	8	5	8	-	508
Amortisation on disposals	-	(79)	-	-	(2)	-	-	(0)	-	-	-	(81)
Reclassification	-	(4)	-	-	0	(0)	-	(0)	-	5	-	1
Foreign Exchange Adjustment	-	(190)	(0)	-	(12)	(21)	-	(2)	4	1	-	(221)
Revision due to finalisation of purchase price allocation accounting for acquisition of Arysta *	-	(3,712)	85	-	(144)	(283)	-	0	-	-	-	(4,055)
At March 31, 2019	**-**	**2,675**	**479**	**19**	**172**	**436**	**-**	**124**	**262**	**440**	**-**	**4,607**
Amortisation on acquired intangibles (Refer Note 41)	-	6	-	-	-	-	-	-	-	-	-	6
Amortisation for the year (Note 25)	-	299	617	3	25	109	-	53	4	5	-	1,116
Amortisation on disposals	-	(14)	(0)	-	(13)	-	-	-	-	-	-	(27)
Transfer/Capitalised	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification	-	(114)	(22)	-	35	(2)	-	(25)	-	(30)	-	(157)
Foreign Exchange Adjustment	-	88	9	-	6	(18)	-	(5)	7	6	-	94
At March 31, 2020	**-**	**2,940**	**1,083**	**22**	**225**	**526**	**-**	**147**	**273**	**422**	**-**	**5,638**
Net book value												
At March 31, 2020	18,241	610	8,021	(0)	20	1,538	413	228	0	13	1,014	11,857
At March 31, 2019	16,627	713	7,906	3	55	1,495	376	242	7	37	689	11,524

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for the year ended March 31, 2020

4. INTANGIBLE ASSETS (Contd.)

₹ in crore

Net book value	March 31, 2020	March 31, 2019
Goodwill	18,241	16,627
Other intangible assets	10,843	10,835
Intangible assets under development	1,014	689
Total	**30,099**	**28,152**

* Refer Note 41

**Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell.

The Group generally uses discounted cash flows method to determine the recoverable amount. The discounted cash flow model uses specific estimates for five years that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future development.

Intangible assets consisting of know-how and product registration data are shown at historical costs, have a finite life and are carried at cost less accumulated amortisation and impairment if any.

Others include, Intangible Assets, in the nature of Data Access Fees, Trade Secrets and Trade Marks.

5. INVESTMENTS

₹ in crore

	March 31, 2020	March 31, 2019
Non-current		
Investments accounted for using the equity method		
(A) Investments in equity instruments		
a. Investment in Associates (Unquoted)		
(i) 30,000 [March 2019: 30,000] Equity Shares fully paid-up in 3SB Produtos Agricolas SA [includes goodwill of ₹ 55 crore [March 2019 ₹ 66 crore]	65	89
(ii) 87,298,237 [March 2019: 87,298,237] Equity Shares fully paid-up in Sinagro Produtos Agropecuarios SA. [includes goodwill of ₹ 36 crore, [March 2019: ₹ 44 crore] [refer Note (a) below]	-	-
(iii) 921,000 [March 2019: 921,000] Equity Shares of ₹ 10 each fully paid-up in Chemisynth [Vapi] Limited (refer Note (a) below)	0	0
(iv) 18,130 [March 2019: 18,130] Equity shares of ₹100 each of Universal Pestochem [Industries] Pvt. Ltd. (refer Note (a) below)	0	0
(v) 3,350,000 [March 2019: 3,350,000] Equity Shares of ₹10 each fully paid-up in Kerala Enviro Infrastructure Limited	6	5
(vi) 48,214 [March 2019: 48,214] Equity shares of ₹ 10 each, fully paid-up in Weather Risk Management Services Pvt Ltd [includes goodwill of ₹ 4 crore (March 2019 ₹ 4 crore)]	11	13
(vii) 103,016,215 [March 2019:103,016,215] Equity shares, fully paid-up in Serra Bonita Sementes S.A.[includes goodwill of ₹ (10) crore {March 2019 ₹ (12) crore}]	158	190
(viii) 17,85,000 [March 2019: 17,85,000] Equity shares of CNY 0.30 each, fully paid up in Dillian Advanced Chemical (DAC)	1	1
(ix) 260 [March 2019: 260] Equity shares of ₹ 1 each, fully paid-up in Agronamic (Pty) Ltd. [includes goodwill of ₹ 3 crore (2019: ₹ 4 crore)]	4	5
(x) 7,44,526 [March 2019: 7,44,526] Equity shares of ₹ 1 each, fully paid-up in Novon Protecta (Pty) Ltd [includes goodwill of ₹ (2) crore {2019: ₹ (2) crore}]	6	7
(xi) 2,510 [March 2019: 2,510] Equity shares of ₹ 0.01 each, fully paid-up in Agri Fokus (Pty) Ltd. [includes goodwill of ₹ (1) crore {2019: ₹ (5) crore}]	4	4
(xii) 1,004 [March 2019: 1,004] Equity shares of ₹ 1 each, fully paid-up in Novon Retail Company (Pty) Ltd. [includes goodwill of ₹ 3 crore (2019: ₹ 4 crore)]	6	7
(xiii) 251 [March 2019: 251] Equity shares of ₹ 1 each, fully paid up in Silvix Forestry (Pty) Ltd. [includes goodwill of ₹ 14 lakh (2019: ₹ 1 lakh)]	0	0
(xiv) 1,920 [March 2019: 1,920] Equity shares of ₹ 0.10 each, fully paid-up in Nexus AG [includes goodwill of ₹ 3 crore (2019: ₹ 4 crore)]	9	10
(xv) 52,398 [March 2019: 52,398] Equity shares of XOF 10,000 each, fully paid-up in Société des Produits Industriels et Agricoles	13	4

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

5. INVESTMENTS (Contd.)

₹ in crore

	March 31, 2020	March 31, 2019
b. Investment in Joint Ventures (Unquoted)		
(i) 1,627 [March 2019: 1,627] Equity Shares of Tk.1,000 each fully paid-up in United Phosphorus [Bangladesh] Limited [refer Note (a) below]	0	0
(ii) 200 [March 2019: 200] Equity shares fully paid up in Hodogaya UPL Co. Ltd	28	23
(iii) 88,223 [March 2019: 88,223] Equity shares of 1 AUD each fully paid-up in Longreach Plant Breeders Management Private Limited [includes goodwill of ₹ 17 crore, [March 2019: ₹ 18 crore]	49	50
Total non-current investments accounted for using the Equity Method	**360**	**408**
Investment stated at Amortised Cost		
Investments in Government or trust securities (Unquoted)		
(i) Indira Vikas Patra [Face Value: Current Year: ₹ 0.06 lakh (March 31, 2019: ₹ 0.06 lakh)]	0	0
(ii) National Saving Certificates [Face Value: Current Year: ₹ 0.09 lac (March 31, 2019: ₹ 0.09 lakh)]	0	0
Investments stated at Fair Value through OCI		
Investments in Equity Instruments (Quoted)		
Investment in Others		
(i) 11,700,000 [March 2019: 11,700,000 Equity shares fully paid up in Ishihara Sangyo Kaisha Ltd.	45	82
(ii) 28,100 [March 31, 2019: 28,100] Equity Shares of ₹10 each fully paid-up in Gujarat State Financial Corporation	0	0
(iii) 50,000 [March 31, 2019: 50,000] Equity Shares of ₹10 each fully paid-up in Nivi Trading Limited	0	0
(iv) 41,150 [March 31, 2019: 41,150] Equity Shares of ₹10 each fully paid-up in Transpek Industry Limited	5	6
(v) 5,307 [March 31, 2019: 5,307] Equity Shares of ₹10 each fully paid-up in IDFC Limited	0	0
(vi) 5,307 [March 31, 2019: 5,307] Equity Shares of ₹10 each fully paid-up in IDFC Bank Limited.	0	0
(vii) 17,990 [March 31, 2019: 17,990] Equity Shares of ₹2 each fully paid-up in Bank of Baroda Limited	0	0
(viii) 1,891,630 [March 31, 2019: 1,891,630] Equity Shares of USD 3.35 each fully paid-up in Agrofresh Solutions Inc. (Listed on the NASDAQ)	24	44
(ix) 5,24,427 [March 2019: 5,24,427] Equity shares of EUR 1.37 each, fully paid-up in ISAGRO S.P.A. (B)	3	5
Investments in Equity Instruments (Unquoted)		
Investment in Others		
(i) 7,41,800 [March 2019: 7,41,800] Equity shares of TWD 9.53 each, fully paid-up in Grand Biotechnology Co., Ltd.	2	2
(ii) 3,44,000 [March 2019: 3,44,000] Equity shares of JPY 267.91 each, fully paid-up in Kyoyu Agri	6	6
(iii) 126 [March 2019: 126] Equity shares of HUF 10,000 each, fully paid-up in Cseber	0	0
(iv) 1,000 [March 2019: 1,000] Equity shares of PLN 103.02 each, fully paid-up in Elevator Sieradz	0	0
(v) 1,000 [March 2019: 1000] Equity shares, fully paid-up in Rogatory letter (A)	8	10
(vi) Fully paid up equity shares of Meiji Lukang Pharmaceutical Co., Ltd	7	8
Investments stated at Fair Value through Profit and Loss		
(A) Investments in Optionally Convertible Bonds (Unquoted)		
2,060 [March 31, 2019: 6,855] Optionally Convertible Bonds of ₹1,00,000 each in Tatva Global Environment Private Limited	26	83
725,000 (March 31, 2019: Nil) Optionally Convertible Bonds All Fresh Supply Management Private Limited	7	-
Equity shares in Amira Nature foods Limited	38	35

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

5. INVESTMENTS (Contd.)

₹ in crore

	March 31, 2020	March 31, 2019
(B) Investment in Equity Instruments (Unquoted)		
(i) 240,000 (March 31, 2019: 240,000) Equity shares of ₹10 each fully paid-up in UPL Investment Private Limited	2	2
(ii) 57 [March 31, 2019: 57] Ordinary Shares of 1 Rand each fully paid-up in Cropserve [PTY] Limited	0	0
(iii) 3,757,570 [March 31, 2019: 3,435,070] Equity Shares of ₹ 10 each fully paid-up in Narmada Clean Tech Limited	7	4
(iv) 10,000 [March 2019: 10,000] Equity Shares of ₹ 10 each fully paid-up in Janakalyan Sahakari Bank Limited	0	0
(v) 1,000,000 (March 31, 2019: 1,000,000) Equity Shares of ₹ 10 each fully paid-up in Uniphos International Limited	4	1
(vi) 45,000 (March 31, 2019: 45,000) Equity Shares of ₹ 10 each fully paid-up in Bloom Packaging Private Limited	1	1
(vii) 19,025 (March 31, 2019: 19,025) Equity Shares of ₹ 10 each fully paid-up in Bench Bio Private Limited	1	1
(viii) 3,687 [March 31, 2019: Nil] equity shares of ₹ 10 each fully-paid-up in All Fresh Supply Management Private Limited	2	-
(ix) 100 [March 31, 2019: 100] Equity Shares of Natural Art KK	0	0
(C) Investment in Others		
415 [March 2019: 415] Optionally convertible Debentures of ₹ 50,000 each of Bloom Packaging Pvt. Ltd.	2	2
Investments in Others (Unquoted)	7	7
Total Other Non-Current Investments	**198**	**298**
Total Non-Current Investments	**558**	**706**
Current		
Investments stated at Fair Value through profit and loss		
Investments in Others (Unquoted)	0	2
Total Current Investments	**0**	**2**
Total Investments	**558**	**708**
Aggregate amount and market value quoted investments	74	133
Aggregate amount of unquoted investments	484	575
Impairment of investments	-	-

Investments at fair value through Profit and loss (fully paid) reflect investment in debt instruments . Refer note 46 for determination of their fair values.

Investments at fair value through OCI (fully paid) reflect investment in quoted equity securities. Refer note 46 for determination of their fair values.

Note:

a. Share of losses has been restricted to the carrying value of the investment

6. LOANS

₹ in crore

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(A) Security Deposits				
a. Unsecured, Considered good	89	85	26	35
b. Unsecured, Considered doubtful	2	2	-	-
Less: Impairment Allowance for doubtful security deposit	(2)	(2)	-	-
	89	**85**	**26**	**35**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

6. LOANS (Contd.)

₹ in crore

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(B) Loans and Advances to related parties (refer note 38)				
a. Unsecured, Considered good	68	71	0	0
	68	71	0	0
(C) Loans to employees				
a. Unsecured, Considered good	-	-	5	1
	-	-	5	1
(D) Sundry loans				
a. Unsecured, Considered good	-	-	10	15
b. Unsecured, Considered doubtful	2	2	-	-
Less: Allowance for doubtful sundry loans	(2)	(2)	-	-
	-	-	10	15
Total loans	157	156	40	51

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group.

7. OTHER FINANCIAL ASSETS

₹ in crore

	Non-current		Current	
	March 31, 2020	March 31, 2019 Revised*	March 31, 2020	March 31, 2019
(A) Interest receivable				
a. Unsecured, Considered good	-	-	11	10
b. Unsecured, Considered doubtful	-	-	-	-
Less: Allowance for doubtful Interest receivable	-	-	-	-
	-	-	11	10
(B) Derivative instruments at fair value through profit or loss				
Derivative contracts (net)	79	-	499	28
	79	-	499	28
(C) Export Benefits receivables				
Unsecured, Considered good	35	35	226	138
	35	35	226	138
(D) Others				
a. Unsecured, Considered good	9	200	65	134
b. Unsecured, Considered doubtful	2	2	-	-
Less: Allowance for doubtful other financial assets	(2)	(2)	-	-
	9	200	65	134
Total Other Financial Assets	123	235	801	310

* Refer Note 41

8 (A) OTHER ASSETS

₹ in crore

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(i) Capital advance	104	51	-	-
(ii) Statutory receivables	362	206	1,274	1,600
(iii) Other advances	10	24	519	584
Total Other Assets	476	281	1,793	2,184

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

8 (B) ASSETS HELD FOR SALE

Assets held for sale represents assets amounted to ₹ 51 crore (March 2019 : ₹ 26 crore) refer to assets received in debt renegotiations, substantially represented by land (farms and lots) acquired from customers who have not been able to settle their debts in cash. Management does not intend to maintain these assets and has made efforts to sell them. These assets are recognised at fair valued less cost of disposal and are planned to be disposed of to settle customers recoverable amount.

9. INVENTORIES

	March 31, 2020	March 31, 2019 Revised*
a. Raw materials and components	1,969	2,434
b. Work in progress	503	550
c. Finished goods	4,102	5,272
d. Traded goods	958	690
e. Store and spares [including fuel]	115	83
f. Packing material	195	99
g. By products	8	5
Total inventories	7,850	9,133

* Refer Note 41

Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit or loss as an expense is ₹ 10 crore (March 31, 2019: ₹ 9 crore).

10. TRADE RECEIVABLES

₹ in crore

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019 Revised*
Unsecured, Considered good				
- From related parties	-	-	240	141
- From others	190	4	11,627	11,538
Unsecured, Considered doubtful				
- From others	-	-	1,078	1,196
Less: Allowance for doubtful Trade receivables	-	-	(1,078)	(1,196)
Total Trade receivables	190	4	11,867	11,679

* Refer Note 41

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows

₹ crore

	March 31, 2020	March 31, 2019
Opening balance	(1,196)	(366)
On account of Arysta Group acquisition	-	(928)
Foreign exchange movement	70	128
Provision for the year	(2)	(41)
Write-off	51	10
Total of Reversal and Write-off	49	(31)
Closing balance	(1,078)	(1,196)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. There are no trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms of 45 to 270 days.
- For explanations on Group's Credit risk management process. (Refer note 46).

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

10. TRADE RECEIVABLES (Contd.)

The Group has entered into an agreement to sell and assign its receivables on a non recourse basis with various banks. This is treated as a "true sale" for both legal and financial reporting purposes. As such, the assets once transferred are not reflected on the balance sheet date. At March 31, 2020, the Group sold receivables which have been recognised of ₹ 7,023 crore (₹ 4,925 crore at March 31, 2019).

For terms and conditions of related party transactions refer Note 39.

11. CASH AND CASH EQUIVALENTS

₹ in crore

	March 31, 2020	March 31, 2019
Balances with banks		
- Current accounts	183	198
- Foreign currency accounts	37	0
- Current accounts outside India	5,619	2,001
Fixed deposit accounts		
-Deposits with original Maturity of less than 3 months	866	603
Cheques/drafts on hand	13	24
Cash on hand	6	1
	6,724	**2,826**

11A. OTHER BANK BALANCES

₹ in crore

	March 31, 2020	March 31, 2019
- Deposits with original maturity for more than 3 months but less than 12 months	3	2
- Margin money deposit **	16	14
-Unclaimed dividend accounts	9	8
	28	**25**

** Margin money deposits given as security against bank guarantees.

12. SHARE CAPITAL

Authorised Share Capital

	Equity Shares of ₹ 2 each	
	No.	₹ crore
At March 31, 2018	1,23,75,00,000	248
Increase/(decrease) during the previous year	-	-
At March 31, 2019	**1,23,75,00,000**	**248**
Increase/(decrease) during the year	-	-
At March 31, 2020	**1,23,75,00,000**	**248**

Issued equity capital

Equity shares of ₹ 2 each issued, subscribed and fully paid-up

	No.	₹ crore
At March 31, 2018	50,93,33,081	102
Increase during the previous year	9,589	0
At March 31, 2019	**50,93,42,670**	**102**
Increase during the year		
ESOP Allotments	31,451	0
Issue of Bonus shares	25,46,71,335	51
At March 31, 2020	**76,40,45,456**	**153**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

12. SHARE CAPITAL (Contd.)

Terms/ rights attached to equity shares

The Company has one class of equity shares having par value of ₹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 March, 2020, the amount of per share dividend proposed as distributions to equity shareholders is ₹ 6 (March, 2019: ₹ 8)

Equity shares allotted as bonus shares, for consideration without cash pursuant to contract and shares bought back during the 5 years preceding March 31, 2020

Equity shares issued as bonus

The Group allotted 254,671,335 equity shares as fully paid up bonus shares on July 4, 2019 by utilising capital redemption reserve amounting to ₹ 38 crore and Securities premium amounting to ₹13 crore, pursuant to an ordinary resolution passed after taking the consent of shareholders.

The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Conversion of Compulsory convertible preference share (CCPS) and optionally convertible preference share (OCPS)

During the year ended March 31, 2018, the Group has allotted 2,224,287 on conversion of Compulsory convertible preference share (CCPS) and optionally convertible preference share (OCPS).

Details of shareholders holding more than 5% shares in the company
Name of the shareholder

	As at March 31, 2020		As at March 31, 2019	
Equity shares of ₹ 2 each fully paid	No. in crore	% holding in the class	No. in crore	% holding in the class
Nerka Chemicals Private Limited	15	20.11%	10	20.10%
Uniphos Enterprises Limited	4	5.05%	3	5.06%
Life Insurance Corporation of India	5	5.98%	1	1.41%

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.

There are 42,353,062 shares (March 31, 2019: 42,353,062) underlying equity shares of the Company in respect of GDR's traded on Luxemburg Stock Exchange and against conversion of each GDR ten equity shares were issued.

12A. Perpetual Subordinated Capital Securities

5.25% Perpetual Subordinated Capital Securities

	₹ in crore
At March 31, 2018	-
Issued during the previous year	-
At March 31, 2019	**-**
Issued during the year	3,027
Expenses incurred	(40)
At March 31, 2020	**2,986**

12. SHARE CAPITAL (Contd.)

During the year the Group, had raised ₹ 3,027 crore through issue of Perpetual Subordinated Capital Securities (the "Securities") by it's subsidiary. These Securities are perpetual securities in respect of which there is no fixed redemption date and are callable only at the option of the issuer. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

13. OTHER EQUITY

(i) Securities premium

	₹ in crore
At March 31, 2018	4,607
Additions during the previous year	-
At March 31, 2019	**4,607**
decrease during the year on issue of bonus shares	(13)
At March 31, 2020	**4,594**

(ii) Retained earnings

	₹ in crore
Balance as at March 31, 2018	5,927
Add: Profit for the year	1,447
Less: Remeasurement gains/(losses) of defined benefit plans	3
Less: Appropriations:	
Dividend on equity shares paid during the previous year	(407)
Transfer to debenture redemption reserve, capital redemption reserve and share based payments reserve	1
TPG ADIA share capital	5,335
Total appropriations	**4,928**
At March 31, 2019 (Revised*)	**12,305**
Uncertainty over Income Tax Treatment	38
Add: Profit for the year	1,776
Less: Remeasurement gains/(losses) of defined benefit plans	(6)
Less: Appropriations:	
Dividend on equity shares paid during the year	(328)
Transfer to debenture redemption reserve, capital redemption reserve and share based payments reserve	-
Gain on reduction in NCI due to merger of two subsidiaries	316
Total appropriations	**(12)**
At March 31, 2020	**14,027**

(iii) Other reserves

	₹ in crore
Capital redemption reserve	
At March 31, 2018	45
Changes during the previous year	-
At March 31, 2019	**45**
Changes during the year	(38)
At March 31, 2020	**6**

Capital reserve

	₹ in crore
At March 31, 2018	193
Changes during the previous year	(16)
At March 31, 2019	**177**
Changes during the year	14
At March 31, 2020	**190**

Debenture redemption reserve

	₹ in crore
At March 31, 2018	141
Add: Amount transferred from retained earnings	**(1)**
At March 31, 2019	140
Add: Amount transferred from retained earnings	-
At March 31, 2020	**140**

13. OTHER EQUITY (Contd.)

General reserve

	₹ in crore
At March 31, 2018	1,848
Changes during the previous year	0
At March 31, 2019	**1,848**
Changes during the year	-
At March 31, 2020	**1,848**

Share based payment reserve

	₹ in crore
At March 31, 2018	0
Changes during the previous year	0
At March 31, 2019	**0**
Changes during the year	0
At March 31, 2020	**0**

Non-controlling interest reserve

	₹ in crore
At March 31, 2018	(3,693)
Changes during the previous year	-
At March 31, 2019	**(3,693)**
Changes during the year	-
At March 31, 2020	**(3,693)**

Cashflow hedge reserve for OCI

	₹ in crore
At March 31, 2018	-
Changes during the previous year	(62)
At March 31, 2019	**(62)**
Changes during the year	(116)
At March 31, 2020	**(178)**

FVTOCI reserve

	₹ in crore
At March 31, 2018	(44)
Changes during the previous year	(60)
At March 31, 2019	(104)
Changes during the year	(79)
At March 31, 2020	**(183)**

Foreign currency translation reserve

	₹ in crore
At March 31, 2018	43
Changes during the previous year	(736)
At March 31, 2019	**(693)**
Changes during the year	41
At March 31, 2020	**(652)**

* Refer Note 41

Retained earnings - The amounts represent profits that can be distributed by the Group as dividends to its equity shareholders.

Securities Premium - Where the Group issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Group may issue fully paid-up bonus shares to its members out of the securities premium reserve and can use this reserve for buy-back of shares.

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13. OTHER EQUITY (Contd.)

Capital redemption reserve - Capital redemption reserve was created for buy-back of shares and can be utilised for issuance of fully paid up bonus shares.

Capital reserve - The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

Debenture redemption reserve (DRR) - The Group has issued redeemable non-convertible debentures. The Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

Share based payment reserve - The Group has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees and directors as part of their remuneration. Refer to Note 36 for further details of the scheme.

General reserve - General reserve is created out of the profits earned by the Group by way of transfer from surplus in the statement of profit or loss. The Group can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

Cash flow hedge reserve - The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

FVTOCI reserve - The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Foreign currency translation reserve - Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Other reserves

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Capital redemption reserve	6	45
Capital reserve	190	177
Debenture redemption reserve	140	140
General reserve	1,848	1,848
Non-controlling interest reserve	(3,693)	(3,693)
Cashflow hedge reserve for OCI	(178)	(62)
FVTOCI reserve	(183)	(104)
Foreign currency translation reserve	(652)	(693)
Total other reserves	**(2,521)**	**(2,343)**

* Refer Note 41

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 28.

14. DISTRIBUTION MADE AND PROPOSED

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Cash dividends on Equity shares declared and paid:		
Final dividend for the year ended March 31, 2019: ₹ 8 per share (March 31, 2018: ₹ 8 per share)	407	407
	407	**407**
Proposed dividends on Equity shares:		
Proposed cash dividend for the year ended March 31, 2020: ₹ 6 per share (March 31, 2019: ₹ 8 per share)	458	407
	458	**407**

Note

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at March 31.

14A. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company (refer note 36)

15. BORROWINGS

₹ in crore

Particulars	Effective interest Rate	Maturity	March 31, 2020	March 31, 2019
Non-current borrowings				
Debentures				
Redeemable non-convertible debentures (NCDs) (Unsecured) (refer note a below)	10.58% to 10.85%	2021-2026	458	458
			458	**458**
Bonds (Unsecured) (Refer Note b below)				
3.25% Senior Notes	3.25%	October 13, 2021	3,761	3,437
4.50% Senior Notes	4.50%	March 8, 2028	2,247	2,045
Term Loan				
From Bank				
Foreign currency loan (Unsecured)	3M LIBOR + 1.60%	January 29, 2024	20,880	20,394
Foreign currency loan (Secured) (Refer Note c below)	6.15% to 13.85%		0	1
From others (Unsecured)	2.00%	2021	18	17
Long term maturities of finance lease obligation				
Obligations under finance leases			7	30
			27,371	**26,383**
Current maturities of long term borrowings				
Debentures				
Redeemable non-convertible debentures (NCDs) (Unsecured) (refer note a below)			33	273
			33	**273**
Term loans				
Foreign currency loan (Secured) (Refer Note c below)	6.15% to 13.85%		-	1
			-	**1**
Current maturities of finance lease obligation				
Obligations under finance leases			-	4
			-	**4**
Total non-current borrowings			**27,404**	**26,661**
Less: Amount clubbed under "other current financial liabilities" (Refer Note 16)			(33)	(278)
Net non-current borrowings			**27,371**	**26,383**
Aggregate secured loans (non-current)			0	1

Notes to Consolidated Financial Statements

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15. BORROWINGS (Contd.)

₹ in crore

Particulars	Effective interest Rate	Maturity	March 31, 2020	March 31, 2019
Aggregate unsecured loans (non-current)			27,371	26,382
Current borrowings				
Loan from banks				
Secured (Refer Note d below)	3.69% to 10.95%	on demand	335	169
Unsecured:				
Working capital loan repayable on demand from banks:	6 months LIBOR + 38 to 80 bps, 1 month T Bill Rate + 5 bps and 2.00% to 18.00%	on demand	713	1,597
Commercial paper (refer note e below)	7.29% - 7.55%	Within 90 days	-	400
			1,048	**2,166**
Discounted trade receivables (Unsecured)	3.01% - 10.20%	2020-2021	250	312
			250	**312**
Total current borrowings			**1,298**	**2,478**
Aggregate secured loans (current)			335	169
Aggregate unsecured loans (current)			963	2,309

a. Unsecured redeemable non-convertible debentures (NCD's)

i) The current maturities of long term borrowings include ₹ 32 crore (March 31, 2019: ₹ 48 crore) pertaining to interest accrued but not due on account of recognition of debentures at amortised cost as per EIR method.

ii) NCDs of face value amounting to ₹ 150 crore (March 31, 2019: ₹ 300 crore) have been issued and are redeemable at par at the end of 10th year ₹ 150 crore i.e. June, 2022 from the date of allotment. Out of the above, NCDs amounting to ₹ 90 crore have been bought back by the Company.

iii) NCDs of face value amounting to ₹ 250 crore (March 31, 2019: ₹ 250 crore) 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.

iv) NCDs of face value aggregating to ₹ 150 crore (March 31, 2019: ₹ 225 crore) have been issued under three series and are redeemable at par of ₹ 75 crore each at the end of 12th year and 11th year i.e. October 2022 and October 2021 respectively from the date of allotment.

v) NCDs mentioned above carry a coupon rate ranging from 10.40% to 10.70%.

b. Bonds (Unsecured)

Bonds are listed on Singapore Stock exchange and are recorded at amortised cost.

c. Foreign currency loan from banks (secured)

The Group has accounts receivables pledged as collateral for credit assignments with recourse and has machinery, equipment and vehicles collateralised under financing and finance lease.

d. Loan repayable on demand from Banks (Secured)

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

e. Commercial Paper

Commercial paper outstanding for the current year is Nil (March 31, 2019 : ₹ 400 crore)

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

16. OTHER FINANCIAL LIABILITIES

₹ crore

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019 Revised *
Financial liabilities at fair value through profit or loss				
Derivative contracts (net)	-	53	-	1
Other financial liabilities carried at amortised cost				
Current maturities of long term borrowings (Refer Note 15)	-	-	33	275
Payable towards acquisition of additional stake in UPL Do Brasil	42	65	2	2
Creditors for capital goods	-	-	178	70
Interest accrued and not due on borrowings	-	-	110	181
Unpaid dividend	-	-	8	8
Trade deposits	-	-	68	61
Current maturities of long term finance lease	-	-	2	4
Accrued Payable	-	-	375	621
Employee benefits payables	-	-	542	147
Others	3	18	337	128
Total other financial liabilities	**45**	**136**	**1,654**	**1,497**

17. PROVISIONS

Long term provisions

₹ crore

	Jubilee	Environmental	Labour claim	Total
At April 1, 2018	1	13	6	20
Arising during the previous year	0	2	1	3
Utilised	(0)	-	(3)	(3)
Foreign currency translation effect	(0)	(0)	(0)	(1)
At March 31, 2019	1	15	4	20
Arising during the year	-	-	7	7
Utilised	(0)	(3)	-	(3)
Foreign currency translation effect	0	0	(1)	(0)
At March 31, 2020	**1**	**12**	**10**	**24**

Short term provisions

₹ in crore

	Leave benefits	Dividend on CCPS	Contingencies	Reorganisation	Contingent liabilities provision for PPA	Provision Gratuity	Provision-Defined Benefits	Total
At April 1, 2018	85	-	6	-	-	23	50	164
Arising during the previous year	88	-	9	36	408	8	2	551
Due to Acquisition of Arysta Life Science & its subsidiaries	-	-	-	-	-	59	89	148
Utilised	(2)	-	-	-	-	-	-	(2)
Foreign currency translation effect	(4)	-	(0)	(1)	(7)	(3)	(2)	(17)
Adjustment due to PPA finalisation*					67			67
At March 31, 2019	**167**	**0**	**15**	**35**	**468**	**87**	**139**	**912**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

17. PROVISIONS (Contd.)

₹ in crore

	Leave benefits	Dividend on CCPS	Contingencies	Reorganisation	Contingent liabilities provision for PPA	Provision Gratuity	Provision-Defined Benefits	Total
Arising during the year	45	-	24	7	238	17	35	366
Due to Acquisition of Arysta Life Science & its subsidiaries	-	-	-	-	-	-	-	-
Utilised	(59)	-	(5)	(31)	-	(54)	(66)	(215)
Foreign currency translation effect	1	-	0	1	44	(5)	6	48
At March 31, 2020	**154**	**0**	**34**	**12**	**750**	**45**	**114**	**1,110**

* Refer Note 41

i) **Jubilee Provision:**
The amount of provision represents the future jubilee expenses which are expected to be paid to the Company's employees when they reach an employment of 25 and 40 years, based on actuarial calculations.

ii) **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 these would depend on the cessation of the respective operations.

iii) **Reorganisation provision:**
Due to a downward trend and a stronger competition, management has announced a cost reduction plan in some of the geographies which includes a decrease in headcounts and other costs. The Group made provision in respect of the same and outflow is expected on completion of the respective activities.

iv) **Labour / employee claim provision:**
Companies in the Group are 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 completion of the respective events.

v) **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.

vi) **Provision for gratuity :**
Some entities of the Group have a defined benefit gratuity plan. Every employee who has completed five years or more of a 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.

vii) **Provision for defined benefit plans :**
The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

viii) **Provision for litigation :**
AgroFresh Inc., a US based company, filed a litigation in 2016 against a subsidiary of the Group and the Company for among others: misappropriation of trade secrets, infringement of patents, loss of profits and unjust enrichment.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

17. PROVISIONS (Contd.)

On October 11, 2019 a jury under the Federal District Court, Delaware, rendered a verdict against the subsidiary for an aggregate amount of approximately ₹220 crore. This verdict is not the final judgement of this court and is subject to post-trial motions. The subsidiary has filed post-trial motions challenging the verdict, including, a reduction in the damages and a declaration that the subsidiary did not misappropriate AgroFresh's trade secret. The court is expected to deliver a final judgement in and around May or June 2020. The final judgement of this court will further be subject to appeal in a superior court. While the Group will seek to remedy the adverse judgement passed by the court, this amount has been provided for in the current year as an exceptional item in the statement of profit or loss.

18. INCOME TAX

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

Consolidated statement of profit or loss:
Profit or loss section

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Current income tax:		
Current income tax charge	759	442
Adjustments of tax relating to earlier years	8	(4)
Deferred tax:		
Relating to origination and reversal of temporary differences	(181)	(240)
Income tax expense reported in the statement of profit or loss	**586**	**198**

*Refer Note 41

OCI section

Deferred tax related to items recognised in OCI during the year:

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Gain on FVTOCI financial assets and net gain/loss on remeasurement of defined benefit plans.	9	2
Income tax charged to OCI	**9**	**2**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Accounting profit before tax	2,764	1,773
Accounting profit before income tax	2,764	1,773
At India's statutory income tax rate of 34.994% (March 31, 2019: 34.994%)	966	621
Profit taxable at higher/lower/nil tax rates in certain jurisdictions	(672)	(619)
Additional deduction on expenditure on research and development	(18)	(18)
Adjustment of tax relating to previous years	7	(1)
Other tax credits and allowances	(66)	(12)
Income exempt for tax purpose	(422)	(84)
Impact of change in tax rates	(1)	2
Utilisation of previously unrecognised tax losses	(8)	2
Share of results of associates and joint ventures	(17)	(5)
Other non-deductible expenses	662	67
Profit/(Loss) on sale of subsidiary	-	(15)
Unrecognised deferred tax asset on carry forward losses	143	190
Others	12	71
At the effective income tax rate of 21.20% (March 31, 2019: 11.19%)	**586**	**198**

18. INCOME TAX (Contd.)

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Income tax expense reported in the statement of profit or loss	586	198
	21.20%	**11.19%**

* Refer Note 41

Deferred tax

Deferred tax relates to the following:

₹ in crore

	Balance Sheet		Statement of Profit or Loss	
	March 31, 2020	March 31, 2019 Revised *	March 31, 2020	March 31, 2019 Revised *
Differences in carrying values of property, plant & equipment.	(387)	(335)	(52)	68
Fair value of derivatives	(4)	(10)	6	10
Unrealised profits on intercompany transactions	370	(21)	391	206
Financial assets impairment - expected credit loss	241	266	(24)	(131)
Carry forward of tax losses and unabsorbed depreciation	232	109	123	(25)
Leave encashment	34	28	6	(3)
Minimum alternative tax credit	35	81	(46)	(12)
Defined benefits obligation - Gratuity	15	28	(12)	(14)
Provisions and others	518	330	188	(134)
Adjustment to PV of Assets / Liabilities	(2)	(7)	5	7
Unrealised gain on securities	-	(8)	8	8
Exchange impact	276	65	-	-
Amortisation of Goodwill	(27)	(53)	25	53
Deferred tax recognised on fair valued assets and liabilities on PPA accounting for Arysta Group acquisition	(2,317)	(1,956)	(343)	-
Amortisation of fair valued assets and liabilities on PPA accounting for Group acquisitions	304	127	176	(127)
Tax benefits	30	39	(9)	(39)
Others	(357)	(148)	(208)	(106)
Ind AS 116 - Lease liabilities	(15)	-	(15)	-
Valuation Allowance	(38)	-	(38)	-
Uncertainty over Income Tax Treatment	(38)	-	-	-
Deferred Tax on OCI	6	-	-	-
Deferred tax expense/(income)	-	-	181	(240)
Net deferred tax assets/(liabilities)	(1,122)	(1,465)	-	-

Reflected in the balance sheet as follows:

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Deferred tax assets	1,655	731
Deferred tax liabilities:	(2,777)	(2,197)
Deferred tax Assets (net)	(1,122)	(1,465)

* Refer Note 41

Notes to Consolidated Financial Statements
for the year ended March 31, 2020

18. INCOME TAX (Contd.)

Reconciliation of deferred tax assets (net):

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Opening balance as of April 1	(1,465)	441
Tax income/(expense) during the period recognised in profit or loss	181	240
Tax income/(expense) during the period recognised in OCI	7	2
Exchange impact	211	65
Deferred tax recognised on uncertain tax provision	(38)	-
Deferred tax acquired in business combinations*	(18)	(2,213)
Closing balance as at March 31	**(1,122)**	**(1,465)**

*Including deferred tax recognised for PPA for Arysta

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has tax losses of ₹ 1826 crore (March 31, 2019: ₹ 1,196 crore) that are available for offsetting for period upto ten years against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets of current year, the profit would increase by ₹ 143 crore.

The Group has not recognised deferred tax liability with respect to unremitted retained earnings and associated foreign currency translation reserve with respect to certain of its subsidiaries and joint ventures where the Group is in a position to control the timing of the distribution of profits and it is probable that the subsidiaries and joint ventures will not distribute the profits in the foreseeable future.

The temporary differences associated with investments in subsidiaries, associate and joint venture, for which a deferred tax liability has not been recognised.

19. TRADE PAYABLES

₹ in crore

	Current	
	March 31, 2020	March 31, 2019 Revised*
Trade payables	10,233	9,847
	10,233	**9,847**

* Refer Note 41

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 90-360 days terms
- For explanations on Group's Credit risk management process. Refer note 46
- For terms and conditions of related party transactions refer Note 39.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

20. OTHER CURRENT LIABILITIES

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Advances against orders	1,419	338
Statutory liabilities	491	593
Total other current liabilities	**1,910**	**931**

* Refer Note 41

21. REVENUE FROM OPERATIONS

₹ crore

Particulars	March 31, 2020	March 31, 2019
Sale of products	35,448	21,594
Sale of services		
Job-Work /Service income	30	15
Other operating revenues		
Export incentives	144	105
Refund of statutory receivables	11	12
Royalty income	2	6
Excess provisions in respect of earlier years written back (net)	8	36
Miscellaneous receipts	112	67
Total Revenue from operation	**35,756**	**21,837**

Disclosure under Ind AS 115 - Revenue from contracts with customers

The Company is engaged into manufacturing of agrochemicals, industrial chemicals and production and sale of vegetable and field crops. There is no impact on the Company's revenue on applying Ind AS 115 from the contract with customers.

Disaggregation of revenue from contracts with customers

a. The management determines that the segment information reported under Note 39 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

b. The Company's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270 days.

c. Contract balances

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Trade receivables (refer note 10)	12,057	11,683
Advance against orders (refer note 20)	1,419	338

*Refer note 41

d. Reconciliation of revenue from contract with customers with contracted price

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Revenue from contract with customer as per the contract price	41,635	25,534
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives (Refer note below)	4,295	2,497
b) Sales Returns (Refer note below)	1,892	1,443
Revenue from contract with customer	**35,448**	**21,594**
Sale of services	30	15
Other operating revenue	278	227
Revenue from operations	**35,756**	**21,837**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

21. REVENUE FROM OPERATIONS (Contd.)

Discounts / Rebates / Incentives

The Group issues multiple discount schemes to its customers in order to capture market share. The Company makes a provision for the discount it expects to give to its customers based on the terms of the scheme as at March 31, 2020. Revenue is adjusted for the expected value of discount to be given.

Sales returns

The Group recognises a provision based on the previous history of sales return. Revenue is adjusted for the expected value of return.

22. OTHER INCOME

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Interest income on		
Loans and others	87	137
Unwinding of interest on trade receivable	(3)	82
Other non-operating income		
Profit on sale of current and non-current investments (net)	6	9
Rent received	3	3
Profit on sale of property, plant and equipment (net)	3	3
Miscellaneous income	8	8
Total	**104**	**240**

23. EMPLOYEE BENEFITS EXPENSE

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	3,093	1,903
Contribution to provident and other funds (Refer note 35)	31	31
Gratuity and other retirement benefits (Refer note 35)	99	18
Staff welfare expenses	168	143
Total	**3,391**	**2,095**

24. FINANCE COSTS

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Interest:		
- On Debentures	56	77
- On Term Loans	898	405
- On Cash Credit and Working Capital Demand Loan Accounts	173	157
- On Fixed Deposits and Fixed Loans	11	11
- On Others	218	120
Exchange difference (net)	(88)	(35)
Unwinding of interest on trade payables	136	126
Loss on derivatives Instruments	(71)	40
Other financial charges	103	62
Interest on lease liabilities	45	-
Total	**1,481**	**963**

25. DEPRECIATION AND AMORTISATION EXPENSE

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Depreciation of property, plant and equipment	738	355
Amortisation of intangible assets	1,084	526
Depreciation charge on the right-of-use asset	190	-
Total	**2,012**	**880**

*Refer Note 41

26. OTHER EXPENSE

₹ in crore

	March 31, 2020	March 31, 2019
Power and fuel	464	402
Transport charges	981	683
Sub-contracting expenses	1,068	901
Travelling and conveyance	447	327
Exchange difference (net)	331	298
Advertising and sales promotion	540	341
Legal and professional fees	502	314
Sales commission	149	126
Rent	111	200
Labour charges	206	174
Repairs and maintenance		
Plant and machinery	119	91
Buildings	27	20
Others	170	130
Effluent disposal charges	161	130
Consumption of stores and spares	146	109
Rates and taxes	163	69
Warehousing costs	198	111
Insurance	155	79
Registration charges	131	80
Communication costs	70	42
Royalty charges	120	79
Charity and Donations [(includes ₹ 40 crore (March 31, 2019: ₹ 18 crore) paid for political purpose)]	80	51
Assets written off	19	10
Sundry credit balances written off (net)	4	(12)
Research and development expenses	7	34
Other expenses	430	268
Total	6,800	5,056

27. EXCEPTIONAL ITEMS

₹ in crore

	March 31, 2020	March 31, 2019
Acquisition cost (Refer note a below)	64	332
Restructuring/reorganisation cost	209	-
Integration cost (Refer note c below)	-	41
Litigation and other exceptional cost (Refer note b below)	350	76
Dilution impact	-	2
Total	**623**	**451**

a) During the previous year, the group has acquired Arysta group of companies and all expenses incurred for this acquisition viz. Anti trust filling expenses, Due Diligence and other incidental expenses.

b) Other exceptional cost includes certain litigation expenses which were incurred in certain regions.

c) Integration cost consist of restructuring and severance pay pertaining to Arysta group acquisition.

Notes to Consolidated Financial Statements
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28. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI), NET OF TAX

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

₹ in crore

During the year ended March 31, 2020	Cash flow hedge reserve	Attributable to the owners of the parent			Attributable to non controlling interest	Total Revised*
		FVTOCI reserve	Foreign currency translation reserve	Retained earnings		
Foreign exchange translation differences	-	-	41	-	(41)	(0)
Impact of hedging done	(116)	-	-	-	(33)	(149)
Gain/(loss) on FVTOCI financial assets	-	(79)	-	-	(24)	(103)
Re-measurement gains/(losses) on defined benefit plans	-	-	-	(6)	-	(6)
Total	**(116)**	**(79)**	**41**	**(6)**	**(99)**	**(259)**

₹ crore

During the year ended March 31, 2019	Cash flow hedge reserve	Attributable to the owners of the parent			Attributable to non controlling interest	Total Revised*
		FVTOCI reserve	Foreign currency translation reserve Revised*	Retained earnings		
Foreign exchange translation differences	-	-	(736)	-	(18)	(754)
Impact of hedging done	(62)	-	-	-	-	(62)
Gain/(loss) on FVTOCI financial assets	-	(60)	-	-	-	(60)
Re-measurement gains/(losses) on defined benefit plans	-	-	-	3	-	3
Total	**(62)**	**(60)**	**(736)**	**3**	**(18)**	**(873)**

*Refer Note 41

Analysis of items of OCI, net of tax

Foreign exchange translation differences

These comprise of all exchange differences arising from translation of financial statements of foreign operations as well as translation of liabilities that hedge the company's net investment in a foreign subsidiary.

Gain/(loss) on FVTOCI financial assets

The group has elected to recognise changes in fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments within the equity. The group transfers amount therefrom to retained earnings when the relevant equity securities are derecognised.

Re-measurement gains/(losses) on defined benefit plans

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

29. EARNINGS PER SHARE (EPS)

₹ in crore

	March 31, 2020	March 31, 2019 Revised*
Profit attributable to Equity holders of the parent:	1,776	1,491
Profit attributable to Equity holders of the parent for basic earnings per share	1,776	**1,491**
Interest on convertible preference shares		-
Profit attributable to Equity holders of the parent adjusted for the effect of dilution	1,776	**1,491**
Weighted average number of Equity shares for basic EPS**	764,029,270	764,013,322
Effect of dilution:		
Employee stock options	-	81,587
Weighted average number of Equity shares adjusted for the effect of dilution *	764,029,270	**764,094,909**
Earnings per Equity share (in ₹)		
Basic	23.24	19.52
Diluted	23.24	19.52

*Refer Note 41

** There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

30. AMALGAMATION WITH ADVANTA LIMITED

The Hon'ble High Court of Gujarat vide its order dated June 23, 2016 had sanctioned the Scheme of Amalgamation of Advanta Limited with the Company with an appointed date of April 01, 2015. In accordance with the provisions of the scheme and as approved by the High Court, the amalgamation was accounted for under the purchase method specified in Accounting Standard 14 - 'Accounting for Amalgamations' which is different from Ind AS 103 'Business Combinations' in the standalone financial statements, the same has been accounted for as per Ind AS 103 and Ind AS 101 in the consolidated financial statements in the relevant prior year.

31. GROUP INFORMATION

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
1	Shroffs United Chemicals Limited	Crop protection	India		100%	100%
2	SWAL Corporation Limited	Crop protection	India		100%	100%
3	United Phosphorus (India) LLP	Crop protection	India		100%	100%
4	United Phosphorus Global LLP	Crop protection	India		100%	100%
5	Optima Farm Solutions Limited	Crop protection	India		100%	100%
6	UPL Europe Limited	Crop protection	United Kingdom		78%	78%
7	UPL Deutschland GmbH	Crop protection	Germany	$$1	78%	78%
8	United Phosphorus Polska Sp.z o.o - Poland	Crop protection	Poland		78%	78%
9	UPL Benelux B.V.	Crop protection	Netherlands		78%	78%
10	Cerexagri B.V.	Crop protection	Netherlands		78%	78%
11	United Phosphorus Holdings Cooperatief U.A.	Crop protection	Netherlands		78%	78%
12	United Phosphorus Holdings B.V.	Crop protection	Netherlands		78%	78%
13	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Crop protection	Netherlands		78%	78%
14	Decco Worldwide Post-Harvest Holdings B.V.	Crop protection	Netherlands		78%	78%
15	United Phosphorus Holding, Brazil B.V.	Crop protection	Netherlands		78%	78%
16	UPL Italia S.R.L.	Crop protection	Italy		78%	78%
17	UPL Iberia, S.A.	Crop protection	Spain		78%	78%
18	Decco Iberica Postcosecha, S.A.U.	Crop protection	Spain		78%	78%

31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
19	Transterra Invest, S. L. U.	Crop protection	Spain		78%	78%
20	Cerexagri S.A.S.	Crop protection	France		78%	78%
21	Neo-Fog S.A.	Crop protection	France		78%	78%
22	UPL France	Crop protection	France		78%	78%
23	United Phosphorus Switzerland Limited	Crop protection	Switzerland		78%	78%
24	Agrodan, ApS	Crop protection	Denmark		78%	78%
25	Decco Italia SRL	Crop protection	Italy		78%	78%
26	Limited Liability Company "UPL"	Crop protection	Russia		78%	78%
27	Decco Portugal Post Harvest LDA (formerly known as UPL Portugal Unipessoal LDA)	Crop protection	Portugal		78%	78%
28	UPL NA Inc. (formerly known as United Phosphorus Inc.)	Crop protection	USA		78%	78%
29	UPI Finance LLC	Crop protection	USA		78%	78%
30	Cerexagri, Inc. (PA)	Crop protection	USA		78%	78%
31	UPL Delaware, Inc.	Crop protection	USA		78%	78%
32	Canegrass LLC	Crop protection	USA		54%	55%
33	Decco US Post-Harvest Inc	Crop protection	USA		78%	78%
34	RiceCo LLC	Crop protection	USA		78%	78%
35	Riceco International, Inc.	Crop protection	Bahamas		78%	78%
36	UPL Corporation Limited	Crop protection	Mauritius		78%	78%
37	UPL Management DMCC	Crop protection	United Arab Emirates		78%	78%
38	UPL Limited	Crop protection	Gibraltar		78%	78%
39	UPL Agro S.A. de C.V.	Crop protection	Mexico		78%	78%
40	Decco PostHarvest Mexico (Formerly Known as Decco Jifkins Mexico Sapi)	Crop protection	Mexico		78%	78%
41	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Crop protection	Brazil		78%	78%
42	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Crop protection	Brazil	$$2	74%	78%
43	UPL Costa Rica S.A.	Crop protection	Costa Rica		78%	78%
44	UPL Bolivia S.R.L	Crop protection	Bolivia		78%	78%
45	UPL Paraguay S.A.	Crop protection	Paraguay		78%	78%
46	Icona Sanluis S.A.	Crop protection	Argentina		78%	78%
47	UPL Argentina S A	Crop protection	Argentina		78%	78%
48	Decco Chile SpA	Crop protection	Chile		78%	78%
49	UPL Colombia SAS	Crop protection	Colombia		78%	78%
50	United Phosphorus Cayman Limited	Crop protection	Cayman Islands		78%	78%
51	UP Aviation Limited	Crop protection	Cayman Islands		78%	78%
52	UPL Australia Limited	Crop protection	Australia		78%	78%
53	UPL New Zealand Limited	Crop protection	New Zealand		78%	78%
54	UPL Shanghai Limited	Crop protection	China		78%	78%
55	UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited)	Crop protection	Korea		78%	78%
56	PT.UPL Indonesia	Crop protection	Indonesia		78%	78%
57	PT Catur Agrodaya Mandiri	Crop protection	Indonesia		78%	78%
58	UPL Limited,Hong Kong(Formerly Known as United Phosphorus Limited, Hongkong)	Crop protection	Hong Kong		78%	78%
59	UPL Philippines Inc.	Crop protection	Philippines		78%	78%

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31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
60	UPL Vietnam Co. Limited	Crop protection	Vietnam		78%	78%
61	UPL Japan GK (Formerly Known as UPL Limited, Japan)	Crop protection	Japan		78%	78%
62	Anning Decco Fine Chemical Co. Limited	Crop protection	China		43%	43%
63	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Crop protection	Turkey		78%	78%
64	UPL Agromed Tohumculuk Sa, Turkey	Crop protection	Turkey		78%	78%
65	Safepack Products Limited	Crop protection	Israel		78%	78%
66	Citrashine (Pty) Ltd	Crop protection	South Africa		78%	78%
67	Prolong Limited	Crop protection	Israel		78%	78%
68	Perrey Participações S.A	Crop protection	Brazil		78%	78%
69	Agrinet Solutions Limited	Crop protection	India		50%	50%
70	Advanta Netherlands Holding B.V.	Seed Business	Netherlands		78%	78%
71	Advanta Semillas SAIC	Seed Business	Argentina		78%	78%
72	Advanta Holdings B.V.	Seed Business	Netherlands		78%	78%
73	Advanta Seeds International	Seed Business	Mauritius		78%	78%
74	Pacific Seeds Holdings (Thailand) Limited	Seed Business	Thailand		78%	78%
75	Pacific Seeds (Thai) Limited	Seed Business	Thailand		78%	78%
76	Advanta Seeds Pty Ltd	Seed Business	Australia		78%	78%
77	Advanta US LLC (formerly known as Advanta U.S. Inc.)	Seed Business	USA		78%	78%
78	Advanta Comercio De Sementes LTDA.	Seed Business	Brazil		78%	78%
79	PT Advanta Seeds Indonesia	Seed Business	Indonesia		78%	78%
80	Advanta Seeds DMCC	Seed Business	United Arab Emirates		78%	78%
81	Essentiv LCC	Crop protection	USA		39%	39%
82	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Crop protection	Mauritius		78%	78%
83	UPL Jiangsu Limited	Crop protection	China		54%	55%
84	Riceco International Bangladesh Ltd	Crop protection	Bangladesh		78%	78%
85	Uniphos Malaysia Sdn Bhd	Crop protection	Malaysia		78%	78%
86	Advanta Seeds Ukraine LLC	Seed Business	Ukraine		78%	78%
87	Decco Gida Tarım ve Zirai Ürünler San. Tic A.S.	Crop protection	Turkey	@	78%	78%
88	Arysta LifeScience Investments LLC	Crop protection	USA	@1	78%	78%
89	Arysta LifeScience America Inc.	Crop protection	USA	@1	78%	78%
90	ANESA S.A.	Crop protection	Belgium	@1	78%	78%
91	Arysta LifeScience Management Company, LLC	Crop protection	USA	@1	78%	78%
92	Arysta LifeScience SPC, LLC	Crop protection	USA	@1	78%	78%
93	Arysta LifeScience India Limited	Crop protection	India	@1	78%	78%
94	Arysta LifeScience Agriservice Private Limited	Crop protection	India	@1	78%	78%
95	Arysta LifeScience Togo SAU	Crop protection	Togo	@1	78%	78%
96	Arysta Agro Private Limited	Crop protection	India	@1	78%	78%
97	Arysta LifeScience do Brasil Indústria Química e Agropecuária SA	Crop protection	Brazil	@1, $$2	-	68%
98	Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda	Crop protection	Brazil	@1, $	78%	78%
99	GBM USA LLC	Crop protection	USA	@1	78%	78%

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for the year ended March 31, 2020

31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
100	UPL Agrosolutions Canada Inc (Formerly Known as Arysta LifeScience Canada, Inc.)	Crop protection	Canada	@1	78%	78%
101	Arysta LifeScience Canada BC Inc.	Crop protection	Canada	@1	78%	78%
102	Arysta LifeScience North America, LLC	Crop protection	USA	@1	78%	78%
103	Arysta LifeScience NA Holding LLC	Crop protection	USA	@1	78%	78%
104	Arysta LifeScience Inc.	Crop protection	USA	@1	78%	78%
105	Arysta LifeScience Services LLP	Crop protection	India	@1	78%	78%
106	Arysta LifeScience France SAS	Crop protection	France	@1, $$3	78%	78%
107	Arysta LifeScience Benelux SPRL	Crop protection	Belgium	@1	78%	78%
108	Arysta LifeScience (Mauritius) Ltd	Crop protection	Mauritius	@1	78%	78%
109	UPL South Africa (Pty) Ltd (Formerly Known as Arysta LifeScience South Africa (Pty) Ltd)	Crop protection	South Africa	@1	78%	78%
110	Arysta Health and Nutrition Sciences Corporation	Health Nutrition Solution	Japan	@1	78%	78%
111	Arysta LifeScience Corporation	Crop protection	Japan	@1	78%	78%
112	Arysta LifeScience S.A.S.	Crop protection	France	@1	78%	78%
113	Arysta LifeScience Chile S.A.	Crop protection	Chile	@1	78%	78%
114	Arysta LifeScience Mexico, S.A.de C.V	Crop protection	Mexico	@1	78%	78%
115	Grupo Bioquimico Mexicano, S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
116	UPL Agricultural Solutions Netherlands BV (Formerly Known as UPL Agricultural Solutions Netherlands Cooperatief UA -Formerly Known as MacDermid Agricultural Solutions Netherlands Cooperatief UA)	Crop protection	Netherlands	@1	78%	78%
117	Arysta LifeScience UK & Ireland Ltd	Crop protection	U.K.	@1	78%	78%
118	Arysta LifeScience Europe Sarl	Crop protection	France	@1, $$4	78%	78%
119	UPL Agricultural Solutions (Formerly Known as MacDermid Agricultural Solutions Italy Srl)	Crop protection	Italy	@1	78%	78%
120	Platform Sales Suisse GmbH	Crop protection	Switzerland	@1	78%	78%
121	UPL Agricultural Solutions Holdings BV (Formerly Known as MacDermid Agricultural Solutions Holdings BV)	Crop protection	Netherlands	@1	78%	78%
122	Dutch Agricultural Investment Partners LLC	Crop protection	Netherlands	@1	78%	78%
123	Netherlands Agricultural Investment Partners LLC	Crop protection	Netherlands	@1	78%	78%
124	Arysta LifeScience Bulgaria EOOD	Crop protection	Bulgaria	@1	78%	78%
125	Arysta LifeScience Romania SRL	Crop protection	Romania	@1	78%	78%
126	Arysta LifeScience Kiev LLC	Crop protection	Ukraine	@1	78%	78%
127	Arysta LifeScience Great Britain Ltd	Crop protection	U.K.	@1	78%	78%
128	Arysta LifeScience Technology BV	Crop protection	Netherlands	@1	78%	78%
129	Arysta LifeScience Netherlands BV	Crop protection	Netherlands	@1	78%	78%
130	Arysta LifeScience RUS LLC	Crop protection	Russia	@1	78%	78%
131	Netherlands Agricultural Technologies CV	Crop protection	Netherlands	@1, $	78%	78%
132	Dutch Agricultural Formations CV	Crop protection	Netherlands	@1, $	78%	78%
133	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Crop protection	Turkey	@1	78%	78%

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for the year ended March 31, 2020

31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
134	Arysta LifeScience Australia Pty Ltd.	Crop protection	Australia	@1	78%	78%
135	Chemtura (Thailand) Ltd	Crop protection	Thailand	@1	78%	78%
136	MacDermid (Shanghai) Chemical Ltd.	Crop protection	China	@1	78%	78%
137	Arysta-LifeScience Ecuador S.A.	Crop protection	Ecuador	@1	78%	78%
138	Arysta LifeScience Ougrée Production Sprl	Crop protection	Belgium	@1	78%	78%
139	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Crop protection	Greece	@1	78%	78%
140	Naturagri Soluciones, SLU (Formerly known as Arysta LifeScience Iberia SLU)	Crop protection	Spain	@1	78%	78%
141	Arysta Lifescience Italia SrL	Crop protection	Italy	@1, $$5	78%	78%
142	Agriphar Poland Sp. Zoo	Crop protection	Poland	@1	78%	78%
143	Arysta LifeScience Switzerland Sarl	Crop protection	Switzerland	@1	78%	78%
144	Vetophama SAS (Formerly known as Arysta Animal Health SAS)	Animal Health	France	@1	78%	78%
145	PPWJ Sci	Animal Health	France	@1	78%	78%
146	Vetopharma Iberica SL (Formerly known as Santamix Iberica SL, Spain)	Animal Health	Spain	@1	78%	78%
147	Arysta LifeScience Global Services Limited	Crop protection	Ireland	@1	78%	78%
148	Arysta LifeScience European Investments Limited	Crop protection	U.K.	@1	78%	78%
149	Arysta LifeScience U.K. Limited	Crop protection	U.K.	@1	78%	78%
150	Arysta LifeScience U.K. CAD Limited	Crop protection	U.K.	@1	78%	78%
151	Arysta LifeScience U.K. EUR Limited	Crop protection	U.K.	@1	78%	78%
152	Arysta LifeScience U.K. JPY Limited	Crop protection	U.K.	@1	78%	78%
153	Arysta LifeScience U.K. USD Limited	Crop protection	U.K.	@1	78%	78%
154	Arysta Lifescience U.K. Holdings Limited	Crop protection	U.K.	@1	78%	78%
155	Arysta LifeScience Japan Holdings Goudou Kaisha	Crop protection	Japan	@1	78%	78%
156	Arysta LifeScience Cameroun SA	Crop protection	Cameroon	@1	78%	78%
157	Callivoire SGFD S.A.	Crop protection	Cote D'Ivoire	@1	78%	78%
158	Arysta LifeScience Egypt Ltd	Crop protection	Egypt	@1	78%	78%
159	Calli Ghana Ltd.	Crop protection	Ghana	@1	78%	78%
160	Arysta LifeScience Kenya Ltd.	Crop protection	Kenya	@1	78%	78%
161	Mali Protection Des Cultures (M.P.C.) SA	Crop protection	Mali	@1	66%	66%
162	Agrifocus Limitada	Crop protection	Mozambique	@1	78%	78%
163	Arysta LifeScience Holdings SA (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
164	Anchorprops 39 (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
165	Callietha Investments (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
166	Sidewalk Trading (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
167	Volcano Agroscience (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
168	Volcano Chemicals (Pty) Ltd	Crop protection	South Africa	@1	78%	78%
169	Arysta LifeScience Tanzania Ltd	Crop protection	Tanzania	@1	78%	78%
170	Arysta LifeScience (Shanghai) Co., Ltd.	Crop protection	China	@1	78%	78%
171	Pt. Arysta LifeScience Tirta Indonesia	Crop protection	Indonesia	@1	39%	39%
172	Arysta LifeScience Korea Ltd.	Crop protection	Korea	@1	78%	78%
173	Arysta LifeScience Pakistan (Pvt.) LTD.	Crop protection	Pakistan	@1	78%	78%
174	Arysta LifeScience Philippines Inc.	Crop protection	Philippines	@1	78%	78%

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31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
175	Arysta LifeScience Asia Pte., Ltd.	Crop protection	Singapore	@1	78%	78%
176	Arysta LifeScience (Thailand) Co., Ltd.	Crop protection	Thailand	@1	78%	78%
177	Arysta LifeScience Vietnam Co., Ltd.	Crop protection	Vietnam	@1	78%	78%
178	Arysta LifeScience Holdings France SAS	Crop protection	France	@1	78%	78%
179	Goëmar Développement SAS	Crop protection	France	@1, $$6	78%	78%
180	Laboratoires Goëmar SAS	Crop protection	France	@1	78%	78%
181	Natural Plant Protection S.A.S.	Crop protection	France	@1	78%	78%
182	Arysta LifeScience Czech s.r.o.	Crop protection	Czech Rpb	@1	78%	78%
183	UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)	Crop protection	Germany	@1	78%	78%
184	Arysta LifeScience Magyarorszag Kft.	Crop protection	Hungary	@1	78%	78%
185	UPL Polska Sp. z.o.o (formerly known as Arysta LifeScience Polska Sp. z.o.o)	Crop protection	Poland	@1	78%	78%
186	Betel Reunion S.A.	Crop protection	Reunion(Fr)	@1	51%	51%
187	Arysta LifeScience Vostok Ltd.	Crop protection	Russia	@1	78%	78%
188	Arysta LifeScience Slovakia S.R.O.	Crop protection	Slovakia	@1	78%	78%
189	Arysta LifeScience Ukraine LLC	Crop protection	Ukraine	@1	78%	78%
190	Arysta LifeScience Global Limited	Crop protection	U.K.	@1	78%	78%
191	Arysta LifeScience Argentina S.A.	Crop protection	Argentina	@1	78%	78%
192	Arysta LifeScience Colombia S.A.S	Crop protection	Colombia	@1	78%	78%
193	Arysta LifeScience CentroAmerica, S.A.	Crop protection	Guatemala	@1	78%	78%
194	Arysta LifeScience Mexico Holding S.A.de C.V	Crop protection	Mexico	@1	78%	78%
195	Bioenzymas S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
196	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
197	Omega Agroindustrial, S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
198	Agroquimicos y Semillas, S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
199	Servicios Agricolas Mundiales SA de CV	Crop protection	Mexico	@1	78%	78%
200	Tecno Extractos Vegetales, S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
201	Tesaurus Mexico S.A. de C.V.	Crop protection	Mexico	@1	78%	78%
202	Arysta LifeScience Paraguay S.R.L.	Crop protection	Paraguay	@1	78%	78%
203	Arysta LifeScience Peru S.A.C	Crop protection	Peru	@1	78%	78%
204	Arysta LifeScience Costa Rica SA.	Crop protection	Costa Rica	@1	78%	78%
205	Arysta LifeScience de Guatemala, S.A.	Crop protection	Guatemala	@1	78%	78%
206	Arysta LifeScience S.R.L.	Crop protection	Bolivia	@1	52%	52%
207	Myanmar Arysta LifeScience Co., Ltd.	Crop protection	Myanmar	@1	78%	78%
208	Arysta LifeScience U.K. BRL Limited	Crop protection	U.K.	@1	78%	78%
209	Etec Crop Solutions Limited	Crop protection	New Zealand	@1	78%	78%
210	MacDermid Agricultural Solutions Australia Pty Ltd	Crop protection	Australia	@1	78%	78%
211	Arvesta Corporation	Crop protection	USA	@1	78%	78%
212	Arysta LifeScience Registrations Great Britain Ltd	Crop protection	U.K.	@1	78%	78%
213	Agriphar SDN BHD	Crop protection	Malaysia	@1	78%	78%
214	Agriphar de Costa Rica SA	Crop protection	Costa Rica	@1, $	78%	78%
215	Agriphar de Colombia SAS	Crop protection	Colombia	@1, $	78%	78%
216	Industrias Agriphar SA	Crop protection	Guatemala	@1	78%	78%
217	Kempton Chemicals (Pty) Ltd	Crop protection	South Africa	@1, $	78%	78%
218	Agripraza Ltda.	Crop protection	Portugal	@1	78%	78%

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31. GROUP INFORMATION (Contd.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% Controlling Interest March 31, 2020	% Controlling Interest March 31, 2019
219	Arysta LifeScience Corporation Republica Dominicana, SRL	Crop protection	Dominican Rpb	@1	78%	78%
220	Grupo Bioquimico Mexicano Republica Dominicana SA	Crop protection	Dominican Rpb	@1	78%	78%
221	Arysta LifeScience Ecuador S.A.	Crop protection	Ecuador	@1, $	78%	78%
222	Arvesta Paraguay S.A.	Crop protection	Paraguay	@1	78%	78%
223	Arysta Agroquimicos y Fertilzantes Uruguay SA	Crop protection	Uruguay	@1	78%	78%
224	Arysta LifeScience U.K. USD-2 Limited	Crop protection	U.K.	@1	78%	78%
225	Industrias Bioquim Centroamericana, Sociedad Anónima	Crop protection	Costa Rica	#1	78%	-
226	Procultivos, Sociedad Anónim	Crop protection	Costa Rica	#1	78%	-
227	Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. June 26, 2019)	Crop protection	Costa Rica	#1	78%	-
228	Bioquim, Sociedad Anónima	Crop protection	Costa Rica	#1	78%	-
229	Bioquim Panama, Sociedad Anónima	Crop protection	Panama	#1	78%	-
230	Bionic Nicaragua, Sociedad Anónima (w.e.f. June 26, 2019)	Crop protection	Nicaragua	#1	78%	-
231	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Crop protection	Dominican Republic	#1	78%	-
232	Nutriquim De Guatemala, Sociedad Anónima	Crop protection	Guatemala	#1	78%	-
233	UPL Agro Ltd	Crop protection	Hong Kong	#	78%	-
234	UPL Portugal Unipessoal, Ltda.	Crop protection	Portugal	#	78%	-
235	UPL Services LLC	Crop protection	USA	#	78%	-
236	United Phosphorus Holdings Uk Ltd	Crop protection	U.K.	#	78%	-
237	AFS Agtech Pvt. Limited	Crop protection	India	#	78%	-
238	Natural Plant Protection Limited	Crop protection	India	#	78%	-

Subsidiary formed during the current year

#1 Subsidiary acquired during the current year

@ Subsidiary formed during the previous year

@1 Subsidiary acquired during the previous year

$ Subsidiary liquidated during the year

$$1 During the year, UPL Deutschland GMBH, Germany was merged into UPL Deutschland GMBH, Germany (formerly known as Arysta LifeScience Germany GmbH).

$$2 During the year, Arysta LifeScience do Brasil Indústria Química e Agropecuária SA, Brazil was merged into UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A.

$$3 During the year, Arysta LifeScience France SAS, France was merged into UPL France(formerly Known as AS pen SAS).

$$4 During the year, Arysta LifeScience Europe Sarl, France was merged into UPL Agricultural Solutions Holdings BV (Formerly known as MacDermid Agricultural Solutions Holdings BV).

$$5 During the year, Arysta Lifescience Italia SrL, Italy was merged into UPL Italia S.R.L.(Formerly Known as Cerexagri Italia S.R.L.).

$$6 During the year, Goëmar Développement SAS, France was merged into Arysta LifeScience Holdings France SAS, France.

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for the year ended March 31, 2020

31. GROUP INFORMATION (Contd.)

Information about associates

The Group's interest in associates is summarised as below:

Sr. No.	Name	Country of incorporation/ Principal place of business		% equity interest March 31, 2020	% equity interest March 31, 2019
1	Weather Risk Management Private Ltd	India		32%	32%
2	Ingen Technologies Private Limited	India		*	*
3	Kerala Enviro Infrastructure Limited	India		28%	28%
4	3SB Produtos Agricolas S.A.	Brazil		45%	45%
5	Sinagro Produtos Agropecuarios S.A.	Brazil		45%	45%
6	Seara Comercial Agricola Ltda.	Brazil		**	**
7	Serra Bonita Sementes S.A.	Brazil		33%	33%
8	Bioplanta Nutricao Vegetal,Industria e Comercio S.A.	Brazil		***	***
9	Chemisynth (Vapi) Limited	India		30%	30%
10	Universal Pestochem (Industries) Limited	India		44%	44%
11	Agri Fokus (Pty) Ltd.	South Africa	$	25%	25%
12	Novon Retail Company (Pty) Ltd.	South Africa	$	25%	25%
13	Agronamic (Pty) Ltd.	South Africa	$	28%	28%
14	Novon Protecta (Pty) Ltd	South Africa	$	25%	25%
15	Silvix Forestry (Pty) Ltd.	South Africa	$	25%	25%
16	Nexus AG (Pty) Ltd	South Africa	$	25%	25%
17	Dalian Advanced Chemical Co.Ltd.	China	$	21%	21%
18	Société des Produits Industriels et Agricoles	Senegal	$	32%	32%
19	CGNS Limited	U.K.	$	25%	25%
20	Callitogo SA	Togo	$	35%	35%

$ Investment in Associates during the previous year.

* This is 100% step-down subsidiary of Weather Risk Management Private Ltd.

** This is 51% step-down subsidiary of Sinagro Produtos Agropecuarios S.A.

*** These are 33.33% Joint ventures of Sinagro Produtos Agropecuarios S.A.

Joint arrangement in which the group is a venturer

The Group's interest in joint ventures is summarised below

Sr. No.	Name	Country of incorporation/ Principal place of business	% equity interest March 31, 2020	% equity interest March 31, 2019
1	Hodagaya UPL Co. Limited	Japan	40%	40%
2	Longreach Plant Breeders Management Pty Limited	Australia	70%	70%
3	United Phosphorus (Bangladesh) Limited	Bangladesh	50%	50%

32. MATERIAL PARTLY OWNED SUBSIDIARY

Financial information of subsidiary that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests(NCI):

Name	Country of incorporation / Principal place of business	March 31, 2020	March 31, 2019
UPL Corporation Limited	Mauritius	22%	22%

32. MATERIAL PARTLY OWNED SUBSIDIARY (Contd.)

Information regarding non-controlling interest

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Accumulated balances of material non-controlling interest	3,242	2910
Profit/(loss) allocated to material non-controlling interest	370	73

Summarised statement of profit or loss for the year ended March 31, 2020:

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Revenue	31,829	6,576
Profit for the year	1,667	333
Total comprehensive income	1,222	333
Profit attributable to non-controlling interests	370	73
Dividends paid to non-controlling interests	19	-

* Refer Note 41

Summarised balance sheet as at the year end:

₹ crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Non-current Assets	36,007	32,287
Current Assets	25,908	21,965
Non-current Liabilities	(30,421)	(28,917)
Current Liabilities	(13,910)	(12,231)
Perpetual Subordinated Capital Securities	(2,986)	-
Total equity	14,598	13,104
Attributable to:		
Equity holders of parent	11,356	10,194
Non-controlling interest	3,242	2,910

* Refer Note 41

33. INVESTMENT IN JOINT VENTURES

a) The Group has a 40% (March 31, 2019 : 40%) interest in Hodogaya UPL Co. Limited, a joint venture incorporated in Japan. Hodogaya UPL Co. Limited is involved in the manufacturing, trading and distribution of crop protection chemicals. The Group's interest in Hodogaya UPL Co. Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	1	1
Current assets, including cash and cash equivalents ₹ 46 crore. (March 31, 2019: ₹ 21 crore)	147	143
Non-current liabilities	-	-
Current liabilities, including tax payable ₹ 5 crore. (March 31, 2019: ₹ 3 crore)	(79)	(86)
Equity	69	58
Proportion of the Group's ownership	40%	40%
Carrying amount of the investment (Note)	28	23

Note: The group does not have Goodwill

33. INVESTMENT IN JOINT VENTURES (Contd.)

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	202	216
Profit for the year	10	6
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	10	6
Group's share of total comprehensive income (40%)	4	2

The group had no contingent liabilities or capital commitments relating to its interest in Hodogaya UPL Co. Limited as at March 31, 2020 and March 31, 2019. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

b) The Group has a 70 % (March 31, 2019: 70%) interest in Longreach Plant Breeders Management Pty Limited, a joint venture incorporated in Australia. Longreach Plant Breeders Management Pty Limited is involved in the development of wheat seeds. The Group's interest in Longreach Plant Breeders Management Pty Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	68	49
Current assets including cash and cash equivalents ₹ 9 crore. (March 31, 2019: ₹ 30 crore).	55	75
Non-current liabilities	(3)	(0)
Current liabilities	(75)	(79)
Equity	46	46
Proportion of the Group's ownership	70%	70%
Carrying amount of the investment before Goodwill	32	32
Add: Goodwill	17	18
Carrying amount of the investment	49	50

₹ crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	42	44
Profit for the year	3	13
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	3	13
Group's share of total comprehensive income (70%)	2	9

The group had no contingent liabilities or capital commitments relating to its interest in Longreach Plant Breeders Management Pty Limited as at March 31, 2020 and March 31, 2019. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

In the year ended March 31, 2020 and March 31, 2019, the group did not receive dividends from any of its Joint Ventures.

The group also has interest in an immaterial Joint Venture United Phosphorous (Bangladesh) Limited.

34. INVESTMENT IN ASSOCIATES

a) The Group has a 27.52% (March 31, 2019 : 27.52%) interest in Kerala Enviro Infrastructure Limited, which is involved in the business of management of hazardous waste. Kerala Enviro Infrastructure Limited is a private entity that is not listed on any public exchange. The Group's interest in Kerala Enviro Infrastructure Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Kerala Enviro Infrastructure Limited as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Kerala Enviro Infrastructure Limited:

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	24	14
Current assets	13	18
Non-current liabilities	(15)	(12)
Current liabilities	(2)	(3)
Equity	20	17
Proportion of the Group's ownership	28%	28%
Carrying amount of the investment	6	5

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	18	19
Profit for the year	4	5
Other Comprehensive Income(OCI)	(0)	0
Total comprehensive income for the year	4	5
Group's share of profit for the year	1	1

Contingent Liability not provided for is Nil (Previous Year ₹ 1.55 crore) for the appeals pending with Income tax for the AY 2015-16. Contingent Liability not provided for is ₹ 0.35 crore (Previous Year Nil) for the appeals pending with Income tax for the AY 2017-18.

b) The Group has a 45% (March 31, 2019 : 45%) interest in 3SB Produtos Agricolas S.A., which is involved in business of planting, cultivation and commercialisation of agriculture products. 3SB Produtos Agricolas S.A. is a private entity that is not listed on any public exchange. The Group's interest in 3SB Produtos Agricolas S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of 3SB Produtos Agricolas S.A. as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in 3SB Produtos Agricolas S.A.:

₹ crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	304	223
Current assets	224	234
Non-current liabilities	(151)	(68)
Current liabilities	(352)	(333)
Equity	26	56
Proportion of the Group's ownership	45%	45%
Carrying amount of the investment excluding Goodwill	12	25
Goodwill	55	66
Impact of dilution of Equity holding	(1)	(2)
Carrying amount of the investment	65	89

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	184	308
Profit for the year	(21)	(2)
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	(21)	(2)
Group's share of profit for the year	(9)	(1)

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

c) The Group has a 45% (March 31, 2019 : 49%) interest in Sinagro Produtos Agropecuarios S.A., which is involved in the business of retail sales and commercial representation of crop protection chemical and seeds. Sinagro Produtos Agropecuarios S.A. is a private entity that is not listed on any public exchange. The Group's interest in Sinagro Produtos Agropecuarios S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Sinagro Produtos Agropecuarios S.A.as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Sinagro Produtos Agropecuarios S.A.:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	208	335
Current assets	1,213	1,052
Non-current liabilities	(72)	(64)
Current liabilities	(1,461)	(1,438)
Non-controlling interest	-	(14)
Equity	(113)	(129)
Proportion of the Group's ownership	45%	45%
Carrying amount of the investment excluding Goodwill	(51)	(58)
Goodwill	36	44
Carrying amount, restricting loss from associate*	-	-

*Restricting value of investment to Nil

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	1,978	1,790
Profit for the year	(7)	(20)
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	(7)	(20)
Group's share of profit for the year	(3)	(9)
Group's share of profit for the year, restricting loss from associates to the extent of investment.	-	-

Contingent Liability not provided for ₹ 11 crore (previous year: ₹ 14 crore) towards possible losses as assessed by legal advisors.

d) The Group has a 32.1% (March 31, 2019 : 32.1%) interest in Weather Risk Management Services Private Limited, which is grown into a comprehensive Climate Risk Management company. The company has its range of patented products and services delivered in customised formats to clients ranging from large corporate houses to poor peasants in remotest of villages. In order to deliver these products where they are required, the company has developed its own retail network and handy technologies which have found applications in diverse sectors. Weather Risk Management Services Private Limited also provides environmental consulting services to governments, institutions and corporate houses. The Group's interest in Weather Risk Management Services Private Limited, is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Weather Risk Management Services Private Limited as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Weather Risk Management Services Private Limited.:

Notes to Consolidated Financial Statements

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34. INVESTMENT IN ASSOCIATES (Contd.)

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	7	11
Current assets	21	26
Non-current liabilities	(0)	(0)
Current liabilities	(7)	(10)
Non-controlling interest	0	0
Equity	21	27
Proportion of the Group's ownership	32%	32%
Carrying amount of the investment excluding Goodwill	7	9
Goodwill	4	4
Carrying amount of the investment	11	13

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	17	28
Profit for the year	(6)	(3)
Other Comprehensive Income (OCI)	(0)	(0)
Total comprehensive income for the year	(6)	(3)
Group's share of profit for the year	(2)	(1)

The associate had no contingent liabilities or capital commitments as at March 31, 2019 and March 31, 2018.

e) The Group has 33.33% (March 31, 2019 : 33.33%) interest in Serra Bonita Sementes S.A, which is mainly engaged in producing certified soy beans & crop seeds, producing soy beans, corn grains, sorghum grains, millet grains & beans. The Group's interest in Serra Bonita Sementes S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Serra Bonita Sementes S.A. as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Serra Bonita Sementes S.A:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	561	562
Current assets	131	184
Non-current liabilities	(80)	(48)
Current liabilities	(106)	(90)
Non-controlling interest	-	-
Equity	506	608
Proportion of the Group's ownership	33%	33%
Carrying amount of the investment excluding Goodwill	169	202
Goodwill	(10)	(12)
Carrying amount of the investment	158	190

*Restricting value of investment to Nil

₹ crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	189	207
Profit for the year	13	7
Other Comprehensive Income(OCI)	0	0
Total comprehensive income for the year	13	7
Group's share of profit for the year	4	2

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

f) The group has a 28.4% (March 31, 2019 : 28.4%) interest in Agronamic Proprietary Limited, which is involved in the buying and selling of agricultural chemicals. Agronamic Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in Agronamic Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Agronamic Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Agronamic Proprietary Limited:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	0	0
Current assets	53	54
Non-current liabilities	-	-
Current liabilities	(50)	(52)
Non-controlling interest	-	-
Equity	3	3
Proportion of the Group's ownership	28%	28%
Carrying amount of the investment excluding Goodwill	1	1
Goodwill	3	4
Carrying amount of the investment	4	5

*Restricting value of investment to Nil

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	68	36
Profit for the year	-0	1
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	-0	1
Group's share of profit for the year	(0)	0

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

g) The group has a 25.1% (March 31, 2019 : 25.1%) interest in Silvix Forestry Proprietary Limited, which is involved in the distribution of chemicals. Silvix Forestry Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in Silvix Forestry Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Silvix Forestry Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Silvix Forestry Proprietary Limited:

₹ crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	0	0
Current assets	8	10
Non-current liabilities	-	-
Current liabilities	(8)	(8)
Non-controlling interest	-	-
Equity	1	1
Proportion of the Group's ownership	25%	25%
Carrying amount of the investment excluding Goodwill	0	0
Goodwill	0	0
Carrying amount of the investment	0	0

34. INVESTMENT IN ASSOCIATES (Contd.)

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	14	5
Profit for the year	0	0
Other Comprehensive Income(OCI)	0	0
Total comprehensive income for the year	0	0
Group's share of profit for the year	0	0

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

h) The group has a 25.1% (March 31, 2019 : 25.1%) interest in Agrifokus Proprietary Limited, which is involved in the trading chemicals, insecticides and herbicides. Agrifokus Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in Agrifokus Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Agrifokus Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Agrifokus Proprietary Limited:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	0	2
Current assets	120	93
Non-current liabilities	(23)	0
Current liabilities	(77)	(62)
Non-controlling interest	-	-
Equity	19	33
Proportion of the Group's ownership	25%	25%
Carrying amount of the investment excluding Goodwill	5	8
Goodwill	(1)	(5)
Carrying amount of the investment	4	4

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	27	9
Profit for the year	5	1
Other Comprehensive Income(OCI)	-	0
Total comprehensive income for the year	5	1
Group's share of profit for the year	1	0

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

i) The group has a 25.1% (March 31, 2019 : 25.1%) interest in Novon Retail Company Proprietary Limited, which is involved in the selling of fertilizers and chemicals. Novon Retail Company Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in Novon Retail Company Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Novon Retail Company Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Novon Retail Company Proprietary Limited:

Notes to Consolidated Financial Statements
for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	6	7
Current assets	61	62
Non-current liabilities	(0)	(1)
Current liabilities	(53)	(55)
Non-controlling interest	-	-
Equity	13	13
Proportion of the Group's ownership	25%	25%
Carrying amount of the investment excluding Goodwill	3	3
Goodwill	3	4
Carrying amount of the investment	6	7

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	134	21
Profit for the year	(1)	2
Other Comprehensive Income(OCI)	-	0
Total comprehensive income for the year	(1)	2
Group's share of profit for the year	(0)	(0)

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

j) The group has a 25.1% (March 31, 2019 : 25.1%) interest in Novon Protecta Proprietary Limited, which is involved in the distribution of agricultural chemicals. Novon Protecta Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in Novon Protecta Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Novon Protecta Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Novon Protecta Proprietary Limited:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	4	4
Current assets	175	160
Non-current liabilities	(2)	(1)
Current liabilities	(145)	(126)
Non-controlling interest	-	-
Equity	32	36
Proportion of the Group's ownership	25%	25%
Carrying amount of the investment excluding Goodwill	8	9
Goodwill	(2)	(2)
Carrying amount of the investment	6	7

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	200	35
Profit for the year	(2)	1
Other Comprehensive Income (OCI)	-	0
Total comprehensive income for the year	(2)	1
Group's share of profit for the year	(1)	0

Contingent liability consists of claims against the group not acknowledged as debt amounting to ₹ 2 crore (2019: ₹ 2 crore) as at March 31, 2020.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

k) The group has a 25.1% (March 31, 2019 : 25.1%) interest in NexusAG Proprietary Limited, which is involved in the wholesale of agricultural chemicals for crop protection and fertilizer products for plant nutrition. NexusAG Proprietary Limited is a private entity that is not listed on any public exchange. The Group's interest in NexusAG Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of NexusAG Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in NexusAG Proprietary Limited:

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	15	18
Current assets	99	120
Non-current liabilities	(3)	(6)
Current liabilities	(88)	(110)
Non-controlling interest	-	-
Equity	23	22
Proportion of the Group's ownership	25%	25%
Carrying amount of the investment excluding Goodwill	6	6
Goodwill	3	4
Carrying amount of the investment	9	10

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	487	57
Profit for the year	3	1
Other Comprehensive Income(OCI)	0	0
Total comprehensive income for the year	3	1
Group's share of profit for the year	1	0

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

l) The group has a 21% (March 31, 2019 : 21%) interest in Dalian Advanced Chemical Co.Ltd.(DAC) which is involved in the formulation of Chloropicrin. DAC is private entity that is not listed on any public exchange. The Group's interest in DAC is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of DAC as included in its own financials statements, adjusted for faire value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in DAC.

₹ in crore

Summarised balance sheet	March 31, 2020	March 31, 2019
Non-current assets	2	2
Current assets	0	0
Non-current liabilities	-	-
Current liabilities	(0)	(0)
Non-controlling interest	-	-
Equity	3	3
Proportion of the Group's ownership	21%	21%
Carrying amount of the investment excluding Goodwill	1	1
Goodwill	-	-
Carrying amount of the investment	1	1

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. INVESTMENT IN ASSOCIATES (Contd.)

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Revenue	1	0
Profit for the year	(0)	(0)
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	(0)	(0)
Group's share of profit for the year	(0)	(0)

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

m) Other Associates

₹ in crore

Summarised statement of profit or loss	March 31, 2020	March 31, 2019
Group's share of profit for the year	2	-

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES

₹ in crore

	March 31, 2020	March 31, 2019
Net employee defined benefit liabilities	**159**	226
- Gratuity Plan (Note 35 (b) to (g))	45	87
- Defined benefit pension scheme (Note 35(h))	114	139

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

₹ crore

(i) Defined Benefit Plan	Gratuity	
	March 31, 2020	March 31, 2019
Current service cost	95	9
Past Service Cost	0	4
Interest cost on benefit obligation	4	5
Expenses recognised in Profit and Loss (under the head Employee Benefit Expenses in Note 23)	**99**	**18**
Return on plan assets	41	(3)
Net actuarial (gain)/loss recognised during the year	(49)	(6)
Company contribution	2	-
Remeasurements recognised in Other Comprehensive Income(OCI)	**(6)**	**(8)**
Total Expenses recognised in the statement of Profit & Loss	**93**	**10**
Actual return on plan assets	**41**	**3**

₹ in crore

(ii) Defined Contribution Plan	Provident Fund	
	March 31, 2020	March 31, 2019
Current service cost included under the head Employee Benefit Expense in Note 23	21	19

₹ in crore

(iii) Defined Contribution Plan	Superannuation Fund	
	March 31, 2020	March 31, 2019
Current service cost included under the head Employee Benefit Expense in Note 23	9	10

₹ in crore

(iv) Defined Contribution Plan	Pension Fund	
	March 31, 2020	March 31, 2019
Current service cost included under the head Employee Benefit Expense in Note 23	1	1

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES (Contd.)

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

₹ in crore

	Defined Benefit Plan - Gratuity	
	March 31, 2020	March 31, 2019
Present value of funded obligation	77	172
Less: Fair value of plan assets	32	85
Net Liability	**45**	**87**

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

₹ in crore

	Gratuity	
	March 31, 2020	March 31, 2019
Opening defined benefit obligation	172	73
Defined benefit obligation on account of acquisition of subsidiaries	(4)	127
Interest cost	1	5
Current service cost	12	9
Benefits paid	(6)	(7)
Actuarial changes arising from changes in financial assumption	(49)	(6)
Past: Service Cost	(22)	(6)
Exchange difference	(27)	(23)
Closing defined benefit obligation	**77**	**172**

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

₹ in crore

	Gratuity	
	March 31, 2020	March 31, 2019
Opening fair value of plan assets	85	29
Fair Value of plan assets on account of acquisition of Arysta Life Science and its subsidiaries	(50)	54
Return on plan assets	1	2
Actuarial changes arising from changes in financial assumption	(2)	(1)
Closing fair value of plan assets	**34**	**85**

	Gratuity	
	March 31, 2020	March 31, 2019
	(₹ in crore)	(₹ in crore)
e) Expected contribution to defined benefit plan in future years:	37	27

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

	Gratuity	
	March 31, 2020 (%)	March 31, 2019 (%)
Investments with insurer under:		
Funds managed by insurer	100	100

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35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES (Contd.)

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

	March 31, 2020	March 31, 2019
Discount rate	2.80%-7.70%	2.80%-7.70%
Return on plan assets	2.80%-7.70%	2.80%-7.70%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult. and Indonesia - III (2011)	Indian Assured Lives Mortality (2006-08) Ult. and Indonesia - III (2011)
Annual increase in salary costs	7.5%	7%
Attrition rate	8%	8%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

Assumptions		₹ in crore
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation		
Discount rate	(1)	2
Future salary increases	4	(4)
Withdrawal rate	(0)	0

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

h) Defined benefit pension scheme

The Group operates unfunded defined benefit pension scheme in its entities located in France which are limited to retirement indemnities as applicable in France. The cost of providing benefits is calculated using project unit credit method. The amount recognised as liability as at March 31, 2020 amounts to ₹ 7.46 crore (March 31, 2019: ₹ 3.80 crore)

i) Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Expected future cashflows	₹ in crore
Expected benefit payments in Financial Year + 1	4
Expected benefit payments in Financial Year + 2	4
Expected benefit payments in Financial Year + 3	4
Expected benefit payments in Financial Year + 4	6
Expected benefit payments in Financial Year + 5	7
Expected benefit payments in Financial Year + 6 to + 10	17
	41

36. SHARE BASED PAYMENTS

During the year ended March 31, 2020, the following employee stock option plan (ESOPs) were in existence. The relevant details of the scheme and the grant are as follows:

1. Employees stock option and share plan 2006

1a. The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on September 20, 2006 which provides for a grant of 840,000 options (each option convertible into share) to employees.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

36. SHARE BASED PAYMENTS (Contd.)

Particulars	March 31, 2020	March 31, 2019
Number of options granted (net of options lapsed)	5,08,390	5,08,390
Method of settlement (Cash/Equity)	Equity	Equity
Vesting period	Spread over 4 years and 6 months	Spread over 4 years and 6 months
Exercise period	10 years	10 years

1b. The details of the activity have been summarised below

Particulars	As at March 31, 2020 (No. of equity shares)	As at March 31, 2019 (No. of equity shares)
Outstanding at the beginning of the year	16,500	16,500
Exercisable at the beginning of the year	16,500	16,500
Forfeited during the year	-	-
Exercised during the year	-	-
Vested during the year	-	-
Expired during the year	16,500	-
Outstanding at the end of the year	-	16,500
Exercisable at the end of the year*	-	16,500
Weighted average remaining contractual life (in years)	2.91	2.91

1c. Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020	March 31, 2019
Weighted average share price/market price	68.75	68.75
Exercise price (₹ per share)	57.00	57.00
Expected volatility	64.49%	64.49%
Life of the options granted (vesting and exercise period) in years	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%
Expected dividends	0.30% per annum	0.30% per annum
Average risk-free interest rate	8.04% per annum	8.04% per annum

2. Employees stock option plan (ESOP) 2013

2a. The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on December 03, 2013 which provides for a grant of 1,300,000 options (each option convertible into shares) to employees.

Particulars	March 31, 2020 and March 31, 2019		
Dates of grant	**30-Jan-14**	**27-May-14**	27-May-14
Dates of board approval	**30-Jan-14**	**27-May-14**	27-May-14
Date of shareholders approval	**3-Dec-13**	**3-Dec-13**	3-Dec-13
Number of options granted	**7,11,752**	**35,000**	35,000
Method of settlement (Cash / Equity)	**Equity**	**Equity**	Equity
Vesting period	Spread over 4 years		
Exercise period	**60 months from the date of grant**		

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

36. SHARE BASED PAYMENTS (Contd.)

2b. The details of the activity have been summarised below

Particulars	March 31, 2020 (No. of equity shares)	March 31, 2019 (No. of equity shares)
Outstanding at the beginning of the year	5,629	14,676
Exercisable at the beginning of the year	4,222	13,269
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	9,047
Vested during the year	-	-
Expired during the year	5,629	-
Outstanding at the end of the year	-	5,629
Exercisable at the end of the year*	-	4,222
Weighted average remaining contractual life (in years)	0.32	0.32

For options exercised during the current period, the weighted average share price at the exercise date was ₹ Nil (Mar 31, 2019: ₹ 756.33).

2c. Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020	March 31, 2019
Weighted average share price/market price (₹ per share)	112.81	112.81
Exercise price (₹ per share)	Grant 1 ₹ 103.80 Grant 2 ₹ 262.75 Grant 3 ₹ 319.70	Grant 1 ₹ 103.80 Grant 2 ₹ 262.75 Grant 3 ₹ 319.70
Expected volatility	49.17%	49.17%
Life of the options granted (vesting and exercise period) in years	Vesting period + 6 months	Vesting period + 6 months
Expected dividends	0%	0%
Average risk-free interest rate	8.71% per annum	8.71% per annum

*Eligible Employees holding 1 Option shall be entitled to purchase 1.06 new equity shares as per the scheme of Amalgamation.

3. EMPLOYEES STOCK OPTION PLAN (ESOP) 2017

3a. The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on July 8, 2017 which provides for a grant of 2,500,000 options (each option convertible into share) to employees.

Particulars	March 31, 2020 and March 31, 2019
Dates of grant	25-Jan-18
Dates of board approval	25-Jan-17
Number of options granted	60,000
Method of settlement (Cash / Equity)	Equity
Vesting period	Spread over 2 years
Contractual life of Option	5 years

36. SHARE BASED PAYMENTS (Contd.)

Vesting Conditions	Grant Date	Number of Options	Contractual life of Options
1 year from grant date	25-Jan-18	20,000	4 years
2 years from grant date	25-Jan-18	40,000	5 years

3b. The details of the activity have been summarised below

Particulars	March 31, 2020	March 31, 2019
Outstanding at the beginning of the year	60,000	60,000
Exercisable at the beginning of the year	22,500	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	22,500	-
Vested during the year	-	20,000
Expired during the year	37,500	-
Outstanding at the end of the year	-	60,000
Exercisable at the end of the year*	-	40,000
Weighted average remaining contractual life (in years)	3.49	3.49

3c. The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020	March 31, 2019
Weighted average share price/market price (₹ per share)	824	824
Exercise price (₹ per share)	784	784
Expected volatility	21.49%	21.49%
Life of the options granted (vesting and exercise period) in years	2 to 3.25 years	2 to 3.25 years
Expected dividends	-	-
Average risk-free interest rate	7.22% per annum	7.22% per annum

3d. Effect of the employee option plan on the Statement of Profit or Loss and on its financial position

₹ crore

Particulars	March 31, 2020	March 31, 2019
Total employee compensation cost pertaining to stock option plan	-	1
Liability for employee stock option plan outstanding as at the year end	-	1

*For options exercised during the current period, the weighted average share price at the exercise date was ₹ 522.67.

37. COMMITMENTS AND CONTINGENCIES

A. Commitments:

₹ in crore

	March 31, 2020	March 31, 2019
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	414	255

b) One of the Subsidiaries has entered into an agreement with Syngenta Seeds, Inc. for the resale and distribution of Syngenta branded Seed Corn. It is a Ten Year agreement expiring on August 31, 2024, in which they must exclusively sell Syngenta brands during the first five years and are committed to minimum sales percentages during the remainder of the contract. As at the balance sheet date, the effects of this commitment is unknown.

B. Contingent liabilities

The Group is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate. A summary of claims asserted on the Group in respect of these cases have been summarised below.

Notes to Consolidated Financial Statements
for the year ended March 31, 2020

37. COMMITMENTS AND CONTINGENCIES (Contd.)

a. Guarantees

₹ in crore

	March 31, 2020	March 31, 2019
Guarantees given by the Group on behalf of third parties	70	5

b. Tax Contingencies

Amounts in respect of claims asserted by various revenue authorities on the Group, in respect of taxes, which are in dispute, have been tabulated below:

₹ in crore

Nature of Tax	March 31, 2020	March 31, 2019
Disputed Excise Duty / Service Tax Liability (excluding interest)	190	196
Disputed Income-tax Liability (excluding interest)	35	26
Disputed Sales-tax Liability	20	31
Disputed Custom duty Liability	23	34
Disputed Fiscal Penalty for cancellation of licenses	33	33

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Group may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

c. Amount in respect of other claims

₹ in crore

Nature of Claim	March 31, 2020	March 31, 2019
Claims payable to growers.	23	22
Other Claims (claims related to contractual and other disputes)	38	31
Group's share of contingent liabilities of associates:-		
Claims against the Associates not acknowledged as debts.	2	5

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

i. plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

ii. the proceedings are in early stages;

iii. there is uncertainty as to the outcome of pending appeals or motions or negotiations;

iv. there are significant factual issues to be resolved; and/or

v. there are novel legal issues presented.

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Group's financial condition, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period.

d. Pursuant to the judgment of the Supreme Court of India on February 28, 2019 regarding the allowances to be considered for computing Provident Fund liability, certain components of compensation hitherto excluded from PF need to be included. There are interpretative challenges in application of the judgment retrospectively and the Company has been legally advised that the judgment would be applicable prospectively. The financial statements disclose a contingent liability in this regard. No provision has been made for the period from February 28, to March 31, 2019 as the same is not material.

38. RESEARCH AND DEVELOPMENT COSTS

₹ in crore

Research and Development costs, as certified by the Management.	March 31, 2020	March 31, 2019
a) Revenue expenses debited to appropriate heads in statement of Profit or Loss	696	417
b) Capital Expenditure	193	64

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

39. RELATED PARTY DISCLOSURES:

a) **Name of other related parties with whom transactions have taken place during the year.**

i) Joint Venture Companies:

United Phosphorus (Bangladesh) Limited

Hodogaya UPL Co. Limited

Longreach Plant Breeders Management Pty Limited

ii) Associate Companies:

Kerala Enviro Infrastructure Limited

Weather Risk Management Services Private Limited

3SB Produtos Agrícolas S.A.

Sinagro Produtos Agropecuários S.A.

Serra Bonita Sementes S.A.

Chemisynth (Vapi) Limited

Universal Pestochem Industries Limited

Agri Fokus (Pty) Ltd.

Novon Retail Company (Pty) Ltd.

Agronamic (Pty) Ltd.

Novon Protecta (Pty) Ltd

Silvix Forestry (Pty) Ltd.

Nexus AG (Pty) Ltd

Dalian Advanced Chemical Co.Ltd.

Société des Produits Industriels et Agricoles

CGNS Limited

Callitogo SA

Ingen Technologies Private Limited

Seara Comercial Agricola Ltda.

Bioplanta Nutricao Vegetal,Industria e Comercio S.A.

iii) Enterprises over which key management personnel and their relatives have significant influence (Other Related Parties):

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

Gharpure Engineering and Construction Private Limited

Uniphos Envirotronic Private Limited

Jai Trust

Nerka Chemicals Private Limited

Pot Plants

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

39. RELATED PARTY DISCLOSURES: (Contd.)

Sanguine Holdings Private Limited

Tatva Global Environment Private Limited

Tatva Global Environment (Deonar) Limited

Ultima Search

Uniphos International Limited

Uniphos Enterprises Limited

UPL Environmental Engineers Limited

Vikram Farm

Ubania Realty LLP

Agraja Properties Limited

Crop Care Federation of India

Vankala Krishi Care Pvt Ltd

iv) Key Management Personnel and their relatives :

Directors and their relatives

Mr. Rajnikant D. Shroff

Mr. Jaidev R. Shroff *

Mr. Vikram R. Shroff *

Mrs. Sandra R. Shroff *

Mr. Kalyan Banerjee (Upto : July 31, 2018)

Mr. Arun C. Ashar

Mrs. Asha Ashar *

Mr. Navin Ashar *

Mr. Hardeep Singh

Mr. Vasant Gandhi

Mr. Pradeep Goyal

Mr. Vinod Sethi (Upto : September 2, 2019)

Dr. Reena Ramchandran

Mr. Pradip Madhavji (Upto : April 27, 2018)

Mrs. Shilpa Sagar*

Mrs. Usha Mohan Rao Manori (From: December 27, 2019)

Mr. Anand K Vora - Chief Financial Officer

Mr. M.B Trivedi - Company Secretary (Upto : November 7, 2019)

Mr. Sandeep Deshmukh - Company Secretary (From : November 8, 2019)

* Relative of key management personnel.

39. RELATED PARTY DISCLOSURES (Contd.)

b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

	Nature of Transactions	March 31, 2020				March 31, 2019			
		Joint Ventures	Associates	Other related parties	TOTAL	Joint Ventures	Associates	Other related parties	TOTAL
1.	INCOME								
a)	SALE OF GOODS	64	786	1	851	52	125	5	183
	Sinagro Produtos Agropecuários S.A.	-	312	-	312	-	110	-	110
	Hodogaya UPL Co. Limited	64	-	-	64	47	-	-	47
	3SB Productos Agricolas S.A.	-	1	-	1	-	4	-	4
	Nexus AG (Pty) Ltd	-	113	-	113	-	-	-	-
	Novon Protecta (Pty) Ltd	-	85	-	85	-	-	-	-
	Agronamic (Pty) Ltd.	-	86	-	86	-	-	-	-
	Novon Retail Company (Pty) Ltd.	-	83	-	83	-	-	-	-
	Others	-	106	1	107	5	11	5	22
b)	MANAGEMENT FEES	-	-	5	5	-	-	7	7
	Tatva Global Environment Private Limited	-	-	0	0	-	-	2	2
	Gharpure Engineering & Construction Private Limited	-	-	2	2	-	-	2	2
	Uniphos Enterprises Limited	-	-	1	1	-	-	1	1
	Bharuch Enviro Infrastructure Limited	-	-	1	1	-	-	1	1
	Others	-	-	0	0	-	-	0	0
c)	RENT RECEIVED	-	-	0	0	-	-	0	0
	Uniphos Envirotronic Private Limited	-	-	0	0	-	-	0	0
	Others	-	-	0	0	-	-	0	0
d)	INTEREST RECEIVED	-	-	0	0	0	-	-	0
	Tatva Global Environment Private Limited	-	-	0	0	0	-	-	0
e)	GROUP RECHARGE	-	-	-	-	1	-	-	1
	Longreach Plant Breeders Management Services Pty Limited	-	-	-	-	1	-	-	1
2.	EXPENSES								
a)	PURCHASES OF GOODS	26	-	57	83	20	0	68	88
	Hodogaya UPL Co. Limited	26	-	-	26	20	-	-	20
	Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-		-
	Bloom Seal Containers Private Limited	-	-	31	31	-	-	43	43
	Bloom Packaging Private Limited	-	-	12	12	-	-	14	14
	Ultima Search	-	-	12	12	-	-		
	Others	-	-	2	2	-	0	11	11

39. RELATED PARTY DISCLOSURES (Contd.)

	Nature of Transactions	March 31, 2020				March 31, 2019			
		Joint Ventures	Associates	Other related parties	TOTAL	Joint Ventures	Associates	Other related parties	TOTAL
b)	FIXED ASSETS	-	0	0	1	-	0	1	1
	Uniphos Envirotronic Private Limited	-	-	0	0	-	-	1	1
	Ingen Technologies P. Ltd	-	0	-	0	-	0	-	0
	Chemie Synth (Vapi) Limited.	-	-	-	-	-	-	-	-
c)	OTHERS	-	-	0	0	0	-	1	1
	Vikram Farm	-	-	0	0	-	-	0	0
	Pot Plants	-	-	0	0	-	-	0	0
	Crop Care Federation of India	-	-	-	-	-	-	0	0
	Uniphos Envirotronic Private Limited	-	-	-	-	-	-	0	0
	others	-	-	-	-	0	-	0	0
d)	SERVICES	-	4	111	115	0	-	94	95
	Bharuch Enviro Infrastructure Limited	-	-	108	108	-	-	93	93
	Chemie Synth (Vapi) Limited.	-	3	-	3	-	-	-	-
	Others	-	0	3	4	0		2	2
e)	RENT	-	-	1	1	-	-	1	1
	Sanguine Holdings Private Limited	-	-	0	0	-	-	0	0
	Ultima Search	-	-	0	0	-	-	0	0
	Bloom Packaging Private Limited	-	-	0	0	-	-	0	0
	Jai Trust	-	-	0	0	-	-	0	0
	Others	-	-	0	0	-	-	0	0
f)	ROYALTY	23	-	-	23	48	-	-	48
	Longreach Plant Breeders Management Services Pty Limited	23			23	48			48
g)	COMMISSION EXPENSE	-	4	-	4	-	-	-	-
	Agri Fokus (Pty) Ltd.	-	0	-	0	-	-	-	-
	Novon Retail Company (Pty) Ltd.	-	1	-	1	-	-	-	-
	Agronamic (Pty) Ltd.	-	1	-	1	-	-	-	-
	Nexus AG (Pty) Ltd	-	1	-	1	-	-	-	-
	Others	-	1	-	1	-	-	-	-
h)	GROUP RECHARGE	-	-	-	-	0	-	-	0
	Longreach Plant Breeders Management Services Pty Limited	-	-	-	-	0	-	-	0
3.	FINANCE								
a)	INTEREST INCOME	5	-	-	5	5	-	-	5
	Longreach Plant Breeders Management Services Pty Limited	5	-	-	5	5	-	-	5
b)	SALE OF BONDS	-	-	61	61	-	-	-	-
	Nerka Chemicals Pvt. Ltd.	-	-	61	61	-	-	-	-

39. RELATED PARTY DISCLOSURES (Contd.)

Nature of Transactions		March 31, 2020 Joint Ventures	March 31, 2020 Associates	March 31, 2020 Other related parties	March 31, 2020 TOTAL	March 31, 2019 Joint Ventures	March 31, 2019 Associates	March 31, 2019 Other related parties	March 31, 2019 TOTAL
c)	**ADVANCES GIVEN**	**-**	**-**	**-**	**-**	**-**	**-**	**2**	**2**
	Urbania Realty LLP	-	-	-	-	-	-	2	2
4.	**REIMBURSEMENTS**								
a)	**RECEIVED**	**-**	**-**	**1**	**1**	**-**	**-**	**1**	**1**
	Uniphos Envirotronic Private Limited	-	-	1	1	-	-	0	0
	Ultima Search	-	-	0	0	-	-	0	0
	Others	-	-	0	0	-	-	0	0
b)	**MADE**	**-**	**-**	**0**	**0**	**-**	**-**	**0**	**0**
	UPL Enviromental Engineering Limited	-	-	0	0	-	-	0	0
	Urbania Realty LLP	-	-	-	-	-	-	0	0
	Others	-	-	-	-	-	-	0	0
5.	**OUTSTANDINGS AS AT BALANCE SHEET DATE**								
a)	**PAYABLES**	**15**	**230**	**9**	**254**	**14**	**0**	**4**	**18**
	Longreach Plant Breeders Management Services Pty Limited	8	-	-	8	-	-	-	-
	Sinagro Produtos Agropecuários S.A.	-	229	-	229	-	-	-	-
	Hodogaya UPL Co. Limited	7	-	-	7	14	-	-	14
	Others	-	1	9	10	-	0	4	4
b)	**RECEIVABLES**	**27**	**200**	**18**	**245**	**24**	**98**	**19**	**141**
	Hodogaya UPL Co. Limited	27	-	-	27	24	-	-	24
	Bharuch Enviro Infrastructure Limited	-	-	0	0	-	-	3	3
	3SB Produtos Agrícolas S.A.	-	1	-	1	-	4	-	4
	Sinagro Produtos Agropecuários S.A.	-	28	-	28	-	85	-	85
	Longreach Plant Breeders Management Services Pty Limited	-	0	-	0	0	-	-	-
	Novon Protecta (Pty) Ltd	-	60	-	60	-	-	-	-
	Agronamic (Pty) Ltd.	-	45	-	45	-	-	-	-
	Novon Retail Company (Pty) Ltd.	-	23	-	23	-	-	-	-
	Nexus AG (Pty) Ltd	-	32	-	32	-	-	-	-
	Gharpure Engineering & Construction Private Limited	-	-	11	11	-	-	-	-
	Others	-	13	7	20	-	9	16	25

39. RELATED PARTY DISCLOSURES (Contd.)

Nature of Transactions		March 31, 2020 Joint Ventures	March 31, 2020 Associates	March 31, 2020 Other related parties	March 31, 2020 TOTAL	March 31, 2019 Joint Ventures	March 31, 2019 Associates	March 31, 2019 Other related parties	March 31, 2019 TOTAL
c)	**LOANS / INTER CORPORATE DEPOSITS GIVEN**	**54**	**-**	**5**	**59**	**58**	**-**	**13**	**71**
	3SB Productos Agricolas S.A.	-	-	-	-	-	-	-	-
	Longreach Plant Breeders Management Services Pty Limited	54	-	-	54	58	-	-	58
	Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-	-	-
	Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	6	6
	Bloom Packaging Private Limited	-	-	1	1	-	-	2	2
	Others	-	-	4	4	-	-	4	4
d)	**MANAGEMENT FEES RECEIVABLE**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Tatva Global Environment Private Limited	-	-	-	-	-	-	-	-
	Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	-	-
	Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	-	-
	Others				-				-
e)	**INTEREST RECEIVABLES**	**-**	**-**	**-**	**-**	**0**	**-**	**0**	**1**
	Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	-	-
	Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-	-	-
	Longreach Plant Breeders Management Services Pty Limited	-	-	-	-	0	-	-	0
	Tatva Global Environment Private Limited	-	-	-	-	-	-	0	0
	Others	-	-	-	-	-	-	-	-
f)	**DEPOSITS GIVEN**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	-	-
	Daman Ganga Pulp and Papers Private Limited	-	-	-	-	-	-	-	-
	Bloom Packaging Private Limited	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
g)	**ADVANCES GIVEN**	**-**	**-**	**29**	**29**	**-**	**-**	**29**	**29**
	Urbania reality LLP	-	-	29	29	-	-	29	29

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

39. RELATED PARTY DISCLOSURES: (Contd.)

c) Transactions with key management personnel of the Holding Company and their relatives

₹ in crore

Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Remuneration		
- Mr. Rajnikant D. Shroff	12	13
- Mr. Jaidev R. Shroff	57	38
- Mr. Vikram R. Shroff	28	12
- Mrs. Sandra R. Shroff	9	8
- Mr. Arun C. Ashar	3	1
- Mr. Kalyan Banerjee	-	3
- Mr. Anand Kantilal Vora	6	4
- Others	2	1
Total	**116**	**80**
Rent paid		
- Mr. Rajnikant D. Shroff	0	0
- Mr. Jaidev R. Shroff	0	1
- Mr. Vikram R. Shroff	1	7
- Mrs. Sandra R. Shroff	0	0
-'Mrs. Shilpa Sagar	0	-
Total	**2**	**9**
Professional fees		
Mr. Navin Ashar	1	1
Sundry Deposits Given		
Mr. Kalyan Banarjee	0	0
Mr. R.D. Shroff	0	0
Outstandings as at the Balance Sheet Date		
Payable	1	-

Note:

1. This includes short term employee benefits and key management personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS19- Employee Benefits in the consolidated financial statements. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.

2. **Terms and conditions of transactions with related parties**
   All Related Party Transactions entered during the year were in ordinary course of the business. The sales to and purchases from related parties are made on terms mutually agreed in the contract. Outstanding balances at the year-end are unsecured and bears interest as per agreements and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables, payables or advances.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

40. SEGMENT INFORMATION

(A) Primary Segment Reporting (by Business Segment)

₹ in crore

Sr. No.	Particulars	March 31, 2020 Agro Activity	March 31, 2020 Non-Agro Activity	March 31, 2020 Unallocated	March 31, 2020 Total	March 31, 2019 Agro Activity	March 31, 2019 Non-Agro Activity	March 31, 2019 Unallocated	March 31, 2019 Total
1	**Revenue from operations (net)**								
a	External	34,383	1,366	6	35,755	21,147	681	9	21,837
c	Intersegment	(241)	241	-	-	(285)	285	-	-
	Total	**34,142**	**1,607**	**6**	**35,755**	**20,862**	**966**	**9**	**21,837**
2	**Segment Results**								
a	Contribution	5,337	290	-	5,627	3,653	147	-	3,800
	Intersegment profits	-	-	-		(53)	53	-	
	Total Segment Results	**5,337**	**290**	**-**	**5,627**	**3,600**	**200**	**-**	**3,800**
	Less :								
	(i) Finance Costs	-	-	-	1,481	-	-	-	963
	(ii) Unallocable Expenditure / Income (net)	-	-	-	761	-	-	-	627
	(iii) Share of profit/(loss) of associates and joint ventures	-	-	-	3	-	-	-	14
	(iii) Exceptional items (refer note no. 27)	-	-	-	623	-	-	-	451
	Total Profit before Tax				**2,764**				**1,773**
	Provision for tax								
	Current tax				759				442
	Adjustments of tax relating to earlier years				8				(4)
	Deferred tax				(181)				(240)
	Profit for the year attributable to				**2,178**				**1,575**
	Owners of the parent				1,776				1,491
	Non-controlling interest				402				84
	Other Information								
	Segment Assets	58,387	1,272	10,424	70,083	56,246	1,356	5,564	63,166
	Segment Liabilities	15,075	427	31,987	47,489	10,987	353	33,657	44,997
	Capital Expenditure	1,984	50	5	2,039	1,447	139	7	1,594
	Depreciation	672	41	24	738	300	37	25	362
	Amortisation	1,149	13	113	1,274	441	-	77	518
	Non cash expenses other than depreciation	68	4	-	72	(38)	4	-	(34)

(B) Secondary Segment Reporting (by Geographical location of the customers)

₹ in crore

Particulars	March 31, 2020 India	Europe	North America	Latin America	ROW	Total
Revenue by geographical market	3,828	5,376	5,635	13,764	7,153	35,756
Carrying amount of Non-Current Operating Assets (Non-Current Assets for this purpose consists of property, plant and equipment, Capital work-in-progress, Intangible assets, Intangible assets under development and other non-current assets)	4,608	2,873	25,575	2,936	1,879	37,871

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

40. SEGMENT INFORMATION (Contd.)

₹ in crore

Particulars	March 31, 2020 India	Europe	North America	Latin America	ROW	Total
Revenue by geographical market	3,314	3,532	3,697	7,457	3,837	21,837
Carrying amount of Non-Current Operating Assets (Non-Current Assets for this purpose consists of property, plant and equipment, Capital work-in-progress, Intangible assets, Intangible assets under development and other non-current assets)	3,801	2,004	25,450	1,568	1,141	33,964

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) Capital expenditure consist of additions of property, plant and equipment and intangible assets.

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

(4) Inter Segment Revenue is taken as comparable third party average selling price for the year.

(5) 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.

(6) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

(7) Based on "management approach" defined under Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

41. ACQUISITION OF A SUBSIDIARY

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Movement of Goodwill		
At beginning of the period	16,627	432
Acquisition (Refer Note(i & ii) below)		
-Industrias Bioquim Centroamericana, Sociedad Anonima (Refer Note(i))	80	-
- Arysta Lifesciences Inc. (Refer Note(ii))	-	16,653
Impairment	-	-
Effect of movements in exchange rates	1,534	(458)
	18,241	**16,627**

*Refer Note 41

Acquisition of subsidiary

Name of subsidiary company	Date of Acquisition	% Holding
Industrias Bioquim Centroamericana, Sociedad Anonima ("Bioquim")	June 27, 2019	100%
Arysta Lifesciences Inc. ("Arysta")	January 31, 2019	100%

For the purpose of impairment testing, goodwill and brand has been allocated to the Group's CGU as follows:

₹ in crore

Cash Generating Unit (CGU)	March 31, 2020
Europe	3,969
Latin America	8,024
North America	3,479
Rest of the World	3,400
Total Goodwill	**18,871**
Add: Brand	413
Grand Total	**19,284**

The amount for CGU as disclosed above includes the value of Brand amounting to ₹ 413 crore.

The recoverable amount of the CGUs have been determined based on the value in use, determining by discounting the future cash flows to be generated from the continuing use of the CGU. Discount rates reflect Management's estimate of risk specific to each CGU. The key assumptions used in the estimation of the recoverable amount are set out below.

The values assigned to the key assumptions represent Management assessment of the trends in the relevant industries and have been based on the historical data.

Cash Generating Unit (CGU)	Growth Rate March 31, 2020	Discount March 31, 2020
Europe	3%-5%	12.0%
LATAM	7%-10%	12%-13%
North America	3%-6%	10.0%
Rest of the World	8%-12%	13%-14%

The discount rate reflect management's estimate of risk specific to each CGU. The cashflow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on Management's estimate of the long term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

41. ACQUISITION OF A SUBSIDIARY (Contd.)

(i) Bioquim

The following table summarises the acquisition date fair value consideration of Industrias Bioquim Centroamericana, Sociedad Anonima:

₹ in crore

Cash	160
Total consideration transferred	**160**

On June 27, 2019, the Group completed an acquisition of 100% of the shares of INDUSTRIAS BIOQUIM CENTROAMERICANA, SOCIEDAD ANÓNIMA, a company based in Costa Rica, and certain other group companies, for a consideration of ₹ 160 crore and goodwill recognised of ₹ 80 crore. These companies are engaged in the business of manufacturing, distribution, commercialisation export and import of synthetic inorganic agricultural pesticides in Costa Rica and certain other countries in Caribbean and Central American Region.

A. Goodwill

Goodwill arising from the acquisition has been recognised as follows

₹ in crore

Consideration transferred	160
Fair Valued identified net assets on date of acquisition	(80)
Goodwill	**80**

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

₹ in crore

Total consideration	**160**
Less: Cash & cash equivalents of Bioquim acquired	24
Total consideration paid to Bioquim net of cash acquired	**135**
Property, plant and equipment	15
Intangible assets	33
Working capital	51
Deferred tax liabilities	(18)
Others	(1)
Total net identifiable assets	**80**
Goodwill	**80**

The fair value of the net assets acquired has been determined by the Management with the assistance of an external expert.

Measurement of fair values

The valuation techniques used for measuring the fair values of material assets acquired were as follows:

Assets Acquired	Valuation technique used
General	The relevant intangible assets were identified and assessed and its valuation is conducted by applying Income, Market and / or Cost approach based on market participant perspective.
Identified Intangible Assets	The Multi-Period Excess Earnings Method is adopted to value the dealer network. The Relief-from-Royalty Method is adopted to value Corporate and Product Brand. The Replacement Cost method is used to value the Registrations. The replacement cost considers the cost that the company would have incurred to obtain the registration including registration charges, any employee and other costs directly relatable to the registration, etc.
Property, Plant and equipments	The Property, Plant and equipments are considered at Book Value considering the nature of the net Property, Plant and equipments and based on the premise that book value is fairly representative of the fair value. The land and buildings were measured at fair value by Bioquim, on each reporting date. Hence the book value is considered as fair value land and buildings for the said valuation purpose.
Inventories	Inventory was fair valued after considering a step-up over book value.

41. ACQUISITION OF A SUBSIDIARY (Contd.)

(ii) Arysta

On January 31, 2019, the Group acquired the entire share capital of Arysta Lifescience Inc, a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result the Group obtained control of Arysta and it's subsidiaries.

A. Consideration

₹ in crore

Consideration	31,615
Total	**31,615**

During the year, acquisition of Arysta Lifesciences Inc. and its subsidiaries has been concluded between the parties. There is an additional consideration paid of ₹ 680 crore for working capital adjustments as per share purchase agreement for acquisition of Arysta Group post acquisition date i.e. January 31, 2019. In these consolidated financial statements, the Company has retrospectively revised the comparative balance sheet amounts at March 31, 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities and relevant impact on the Income Statement. These adjustments are presented in Note 41 E.

B. Acquisition - related costs

The Group incurred acquisition related costs of ₹ 332 crore related to the acquisition of Arysta Group. These costs have been included under “Exceptional items.”

C. Identifiable assets acquired and liabilities assumed

The following table summarises the fair values of assets acquired and liabilities recognised at the date of finalisation of PPA:

₹ in crore

Total consideration	31,615
Less: Cash & cash equivalents of Arysta acquired	(1,048)
Total consideration paid to Arysta net of cash acquired	**30,567**
Tangible assets	1,059
Intangible assets	10,665
Deferred Tax Liability	(2,204)
Working capital	6,076
Non controlling interest	(574)
Others	(139)
Investments	79
Total net identifiable assets	**14,962**
Goodwill	**(16,653)**

The fair value of the net assets acquired has been determined by the Management with the assistance of an external expert.

Measurement of fair values

The valuation techniques used for measuring the fair values of material assets acquired were as follows:

Assets Acquired	Valuation technique used
Property, Plant and Equipment	The Cost Approach relies upon the principle of substitution and recognises that a prudent investor will pay no more for an asset than the cost to replace it anew with an identical or similar unit of equal utility. Replacement Cost New (RCN) is the current cost of producing or constructing a similar new item having the nearest equivalent utility as the property being valued. Under this approach, the value is determined by adjusting the replacement / reproduction cost new by the loss in value due to physical deterioration and obsolescence for asset (by passage of time and use of the asset), where applicable. Market Approach: The Market Approach, commonly referred to as the Sales Comparison Approach, measures value based on what other purchasers in the market have paid for assets that can be considered reasonably similar to those being valued. When the Market Approach is utilised, data are collected on the prices paid for reasonable comparable assets. Adjustments are made to the comparable assets to compensate for differences between those assets and the asset being valued. The application of the Market Approach results in an estimate of the price reasonably expected to be realised from the sale of the asset.

41. ACQUISITION OF A SUBSIDIARY (Contd.)

Assets Acquired	Valuation technique used
Intangible Assets	Relief-from-royalty method and multi-period excess earnings method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

D. Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	Note	₹ in crore
Consideration transferred	(A)	31,615
Fair value of identifiable net assets	(C)	(14,962)
		16,653

E. Impact on account of finalisation of PPA

The following tables summarises the combined effect of revisions on the financial statements:

Statement of financial position

₹ in crore

As at March 31, 2019	As previously reported	Revisions due to PPA finalisation	As revised
ASSETS			
Non-current assets			
Property, plant and equipment	4,654	35	4,689
Capital work-in-progress	1,166	-	1,166
Goodwill	15,050	1,577	16,627
Other intangible assets	12,197	(1,365)	10,831
Intangible assets under development	617	71	689
Investments accounted for using the equity method	408	-	408
Financial assets		-	-
(i) Investments	298	-	298
(ii) Loans	156	-	156
(iii) Trade receivables	4	-	4
(iv) Other financial assets	167	68	235
Income tax assets (net)	327	-	327
Deferred tax assets (net)	731	-	731
Other non-current assets	281	-	281
Total non-current assets	**36,056**	**388**	**36,444**
Current assets			
Inventories	9,270	(136)	9,134
Financial assets			
(i) Investments	2	-	2
(ii) Trade receivables	11,812	(133)	11,679
(iii) Cash and cash equivalents	2,826	-	2,826
(iv) Bank balance other than cash and cash equivalents	25	-	25
(v) Loans	51	-	51
(vi) Other financial assets	310	-	310
Income tax assets (net)	486	-	486
Other current assets	2,184	-	2,184
Total current assets	**26,966**	**(269)**	**26,696**
Assets held for sale	26	-	26
Total Assets	**63,048**	**118**	**63,166**

41. ACQUISITION OF A SUBSIDIARY (Contd.)

₹ in crore

As at March 31, 2019	As previously reported	Revisions due to PPA finalisation	As revised
EQUITY AND LIABILITIES			
Equity			
Equity share capital	102	-	102
Other equity	14,543	70	14,613
Equity attributable to owners of the parent	**14,645**	**70**	**14,715**
Non-controlling interests	3,358	96	3,454
Total Equity	**18,003**	**166**	**18,169**
Liabilities			
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	26,383	-	26,383
(ii) Other financial liabilities	136	-	136
Provisions	20	-	20
Deferred tax liabilities (net)	2,942	(745)	2,197
Total non-current liabilities	**29,481**	**(745)**	**28,735**
Current liabilities:			
Financial liabilities			
(i) Borrowings	2,478	-	2,478
(ii) Trade payables			0
Total outstanding dues of Micro enterprises and Small enterprises.	26	-	26
Total outstanding dues of creditors other than Micro enterprises and Small enterprises.	9,397	424	9,821
(iii) Other financial liabilities	1,499	-	1,499
Provisions	844	67	912
Other current liabilities	724	207	931
Current tax liabilities (net)	596	-	596
	15,564	**697**	**16,262**
Total liabilities	**45,045**	**(48)**	**44,998**
Total equity and liabilities	**63,048**	**118**	**63,166**

₹ in crore

As at March 31, 2019	As previously reported	Revisions due to PPA finalisation	As revised
REVENUE			
Revenue from operations	21,837	-	21,837
Other income	240	-	240
Total Income	**22,077**	**-**	**22,077**
Expenses			
Cost of materials and components consumed (including (increase)/decrease in inventory of finished goods, work-in-progress and traded goods and purchase of stock-in-trade)	10,904	-	10,904
Excise duty	-	-	-
Employee benefits expenses	2,095	-	2,095
Finance costs	963	-	963
Impairment loss on trade receivables	(31)	-	(31)
Depreciation and amortisation expenses	969	(89)	880
Other expenses	5,056	-	5,056
Total Expenses	**19,956**	**(89)**	**19,867**
Profit before share of loss of equity accounted investee, exceptional items and tax	2,121	89	2,210
Share of Profit/(Loss) of equity accounted investees (net of income tax)	14		14
Profit before exceptional items and tax	**2,135**	**89**	**2,224**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

41. ACQUISITION OF A SUBSIDIARY (Contd.)

₹ in crore

As at March 31, 2019	As previously reported	Revisions due to PPA finalisation	As revised
Prior period adjustment			
Exceptional items	451		451
Profit before tax	**1,684**	**89**	**1,773**
Tax expenses	165	33	198
Current tax	442		442
Adjustments of tax relating to earlier years	(4)		(4)
Deferred tax	(273)	33	(240)
Profit for the year	**1,519**	**56**	**1,575**
Other comprehensive income (OCI)			
A (i) Items that will not be reclassified subsequently to profit or loss	(59)	-	(59)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2	-	2
B (i) Items that will be reclassified subsequently to profit or loss	(825)	-	(825)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Total other Comprehensive Income for the year, net of tax	**(882)**	**27**	**(855)**
Total Comprehensive Income for the year	**637**	**83**	**720**
Profit for the year	**1,519**	**56**	**1,575**
Attributable to:			
Owners of the parent	1,447	44	1,491
Non-controlling interests	72	12	84
Total comprehensive income for the year	**637**	**83**	**720**
Attributable to:			
Owners of the parent	565	71	636
Non-controlling interests	72	12	84
Earnings per equity share (of Face Value of ₹ 2 each)			
Basic (Face value of ₹ 2 each)	28.42	-	19.52
Diluted (Face value of ₹ 2 each)	28.41	-	19.52

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013:

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020								March 31, 2019							
				Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1	Parent	1000	UPL Limited, India	24%	4,637	23%	401			25%	401	29%	4,299	52%	746			132%	746
2	Subsidiaries																		
	Indian	1060	Shroffs United Chemicals Limited	0%	0	0%	0			0%	0	0%	0	0%	0			0%	0
		1200	Swal Corporation Limited	1%	107	0%	4			0%	4	1%	83	1%	22			4%	22
		1300	United Phosphorus (India) Llp	0%	69	3%	46			3%	46	0%	36	1%	9			2%	9
		1350	United Phosphorus Global Llp	0%	0	0%	(0)			0%	-0	0%	0	0%	-			0%	-
		1400	Optima Farm Solutions Ltd	0%	57	1%	17			1%	17	0%	40	1%	10			2%	10
		1450	Agrinet Solutions Limited	0%	3	0%	(0)			0%	-0	0%	3	0%	-			0%	-
		1500	Arysta Lifescience India Limited	1%	105	0%	(3)			0%	-3	1%	108	0%	2			0%	2
		1530	Arysta Lifescience Agriservice Private Limited	0%	0	0%	0			0%	0	0%	0	0%	-			0%	-
		1540	Arysta Agro Private Limited	0%	0	0%	0			0%	0	0%	0	0%	-			0%	-
		1550	Arysta Lifescience Services Llp	0%	0	0%	(0)			0%	-0	0%	0	0%	-			0%	-
		1600	Natural Plant Protection Limited	0%	(0)	0%	(0)			0%	-0								
		1700	AFS Agtech Pvt. Limited	0%	(1)	0%	(1)			0%	-1	0%	-	0%	-			0%	-
	Foreign	2010	Anesa S.A.	10%	1,959	98%	1,744			108%	1,744	0%	2	0%	(0)			0%	(0)
		2020	Arysta Lifescience Benelux Sprl	2%	389	-7%	(116)			-7%	-116	5%	670	6%	82			15%	82
		2025	Arysta Lifescience Ougrée Production Sprl	0%	85	1%	16			1%	16	0%	51	0%	3			1%	3
		2030	Upl Europe Ltd.(Formerly Known As United Phosphorus Limited, U.K.)	-30%	(5,795)	-2%	(39)			-2%	-39	-36%	(5,258)	-5%	(70)			-12%	(70)
		2035	Arysta Lifescience U.K. Brl Limited	27%	5,247	21%	377			23%	377	30%	4,371	5%	80			14%	80
		2040	Arysta Lifescience Uk & Ireland Ltd	0%	3	0%	(3)			0%	-3	0%	6	0%	1			0%	1
		2045	Arysta Lifescience Global Services Limited	-3%	(494)	-1%	(18)			-1%	-18	-3%	(446)	0%	(3)			0%	(3)
		2050	Upl Deutschland Gmbh(Formerly Known As United Phosphorus Gmbh - Germany)	0%	-	0%	-			0%	-	0%	37	2%	26			5%	26
		2055	Arysta Lifescience U.K. Usd-2 Limited	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		2060	United Phosphorus Polska Sp.Z O.O - Poland	0%	(0)	0%	(0)			0%	-0	0%	(0)	0%	(0)			0%	(0)
		2065	Arysta Lifescience U.K. Jpy Limited	0%	(2)	0%	(0)			0%	-0	0%	(1)	0%	(0)			0%	(0)
		2070	Arysta Lifescience U.K. Limited	0%	19	0%	(0)			0%	-0	0%	18	0%	(0)			0%	(0)
		2075	Arysta Lifescience U.K. Holdings Limited	-12%	(2,364)	0%	(4)			0%	-4	-15%	(2,156)	0%	(1)			0%	(1)
		2080	Arysta Lifescience Romania Srl	0%	7	0%	(7)			0%	-7	0%	6	0%	7			1%	7
		2085	Arysta Lifescience Global Limited	19%	3,594	19%	337			21%	337	20%	2,956	2%	36			6%	36
		2090	Arysta Lifescience Switzerland Sarl	0%	0	0%	0			0%	0	0%	-	0%	-			0%	-
		2095	Arysta Lifescience U.K. Cad Limited	0%	(2)	0%	(0)			0%	-0	0%	(1)	0%	(0)			0%	(0)
		2100	Upl Benelux B.V.(Formerly Known As Agrichem B.V.)	1%	160	2%	36			2%	36	1%	122	2%	23			4%	23

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount	March 31, 2019 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount
		2165	Arysta Lifescience European Investments Limited	-8%	(1,588)	-3%	(54)			-3%	-54	-10%	(1,398)	-1%	(9)			-2%	(9)
		2175	Arysta Lifescience Great Britain Ltd	-3%	(647)	1%	12			1%	12	-4%	(588)	0%	0			0%	0
		2180	Arysta Lifescience U.K. Usd Limited	-20%	(3,782)	-21%	(374)			-23%	-374	-21%	(3,092)	-6%	(82)			-14%	(82)
		2185	Arysta Lifescience Registrations Great Britain Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		2190	Arysta Lifescience Germany Gmbh	0%	24	0%	(7)			0%	-7	0%	(5)	0%	1			0%	1
		2195	Arysta Lifescience U.K. Eur Limited	6%	1,171	2%	44			3%	44	7%	1,054	0%	7			1%	7
		2200	Cerexagri B.V. - Netherlands	2%	305	1%	18			1%	18	2%	235	2%	35			6%	35
		2220	Arysta Lifescience Netherlands Bv	1%	248	3%	51			3%	51	1%	199	0%	(4)			-1%	(4)
		2245	Macdermid Agricultural Solutions Holdings Bv	8%	1,553	16%	288			18%	288	7%	957	0%	(6)			-1%	(6)
		2250	United Phosphorus Holdings Cooperatief U.A.	-28%	(5,481)	-3%	(45)			-3%	-45	-46%	(6,734)	-8%	(119)			-21%	(119)
		2255	Macdermid Agricultural Solutions Netherlands Cooperatief Ua	0%	55	0%	(0)			0%	-0	0%	52	0%	(0)			0%	(0)
		2260	United Phosphorus Holdings B.V., Netherlands	2%	302	1%	17			1%	17	2%	290	6%	89			16%	89
		2265	Arysta Lifescience Technology Bv	0%	1	0%	(0)			0%	-0	0%	1	0%	(0)			0%	(0)
		2270	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	0%	(1)	0%	(0)			0%	-0	0%	(0)	0%	(0)			0%	(0)
		2275	Dutch Agricultural Formations Cv	0%	-	-1%	(10)			-1%	-10	12%	1,785	1%	11			2%	11
		2280	Decco Worldwide Post-Harvest Holdings B.V.	0%	(67)	0%	(6)			0%	-6	0%	(57)	0%	(4)			-1%	(4)
		2285	Netherlands Agricultural Technologies Cv	0%	0	-5%	(88)			-5%	-88	0%	-	0%	-			0%	-
		2290	United Phosphorus Holding, Brazil B.V.	-2%	(329)	-1%	(11)			-1%	-11	-2%	(297)	-1%	(15)			-3%	(15)
		2310	Advanta Holdings Bv, Netherland	-8%	(1,602)	-3%	(61)			-4%	-61	-7%	(991)	-2%	(24)			-4%	(24)
		2320	Advanta Netherlands Holdings Bv, Netherlands	3%	577	-1%	(11)			-1%	-11	4%	552	-1%	(14)			-3%	(14)
		2330	United Phosphorus Holdings Uk Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		2400	Upl Italia S.R.L.(Formerly Known As Cerexagri Italia S.R.L.)	1%	114	-1%	(26)			-2%	-26	0%	59	1%	13			2%	13
		2430	Arysta Lifescience Italia Srl	0%	-	0%	-			0%	-	0%	65	0%	3			0%	3
		2440	Macdermid Agricultural Solutions Italy Srl	0%	12	0%	(1)			0%	-1	0%	13	0%	0			0%	0
		2470	Arysta Lifescience Bulgaria Eood	0%	11	0%	0			0%	0	0%	7	0%	3			1%	3
		2475	Arysta Lifescience Hellas S.A. Plant Protection, Nutrition And Other Related Products And Services	0%	10	0%	(6)			0%	-6	0%	6	0%	2			0%	2
		2480	UPL Portugal Unipessoal, Ltda.	0%	0	0%	0			0%	0								
		2500	Upl Iberia, Sociedad Anonima	1%	117	1%	24			2%	24	1%	81	0%	(4)			-1%	(4)
		2530	Santamix Iberica Sl	0%	(5)	0%	0			0%	0	0%	(5)	0%	(0)			0%	(0)
		2540	Arysta Lifescience Iberia Slu	0%	48	0%	(4)			0%	-4	0%	38	0%	4			1%	4
		2580	Decco Iberica Postcosecha, S.A.U., Spain (Formerly Cerexagri Iberica)	1%	128	1%	15			1%	15	1%	105	1%	17			3%	17
		2590	Transterra Invest, S. L. U., Spain	-1%	(137)	1%	10			1%	10	-1%	(76)	2%	24			4%	24

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount	March 31, 2019 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount
		2600	Cerexagri S.A.S.	2%	353	1%	26			2%	26	2%	308	1%	12			2%	12
		2630	Neo-Fog S.A.	0%	43	0%	4			0%	4	0%	37	0%	7			1%	7
		2700	Upl France(Formerly Known as As Pen Sas)	0%	(83)	2%	34			2%	34	1%	104	2%	23			4%	23
		2730	Arysta Lifescience S.A.S.	4%	685	-33%	(589)			-36%	-589	10%	1,455	2%	35			6%	35
		2740	Arysta Lifescience France Sas	0%	(53)	-3%	(60)			-4%	-60	-1%	(76)	0%	(3)			-1%	(3)
		2750	United Phosphorus Switzerland Limited.	0%	1	0%	(0)			0%	-0	0%	1	0%	0			0%	0
		2760	Agrodan, Aps	0%	3	0%	(0)			0%	-0	0%	3	0%	0			0%	0
		2780	Platform Sales Suisse Gmbh	-3%	(500)	-1%	(14)			-1%	-14	-3%	(375)	-3%	(38)			-7%	(38)
		2800	Decco Italia Srl, Italy	0%	55	0%	3			0%	3	0%	48	0%	4			1%	4
		2810	Natural Plant Protection S.A.S.	0%	65	1%	11			1%	11	0%	50	0%	1			0%	1
		2820	Arysta Lifescience Holdings France Sas	-3%	(606)	-1%	(14)			-1%	-14	-3%	(485)	-1%	(8)			-1%	(8)
		2830	Goëmar Développement Sas	0%	(0)	0%	(3)			0%	-3	0%	(66)	0%	(1)			0%	(1)
		2840	Laboratoires Goëmar Sas	1%	159	5%	92			6%	92	1%	130	1%	15			3%	15
		2860	Arysta Animal Health Sas	1%	182	1%	24			1%	24	1%	148	0%	1			0%	1
		2870	Betel Reunion S.A.	0%	5	0%	1			0%	1	0%	4	0%	(0)			0%	(0)
		2880	Arysta Lifescience Europe Sarl	0%	-	0%	(0)			0%	-0	0%	(0)	0%	(0)			0%	(0)
		2890	Ppwj Sci	0%	1	0%	(0)			0%	-0	0%	1	0%	0			0%	0
		2900	Limited Liability Company "Upl" (Formerly Cjsc United Phosphorus Limited, Russia)	0%	3	-1%	(9)			-1%	-9	0%	12	0%	3			1%	3
		2910	Arysta Lifescience Czech S.R.O.	0%	17	-1%	(11)			-1%	-11	0%	22	0%	4			1%	4
		2920	Arysta Lifescience Magyarorszag Kft.	0%	43	0%	(0)			0%	-0	0%	42	0%	7			1%	7
		2930	Advanta Seeds Ukraine Llc	0%	3	0%	(5)			0%	-5	0%	4	0%	(2)			0%	(2)
		2935	Arysta Lifescience Vostok Ltd.	0%	(21)	0%	(3)			0%	-3	0%	(20)	0%	(1)			0%	(1)
		2940	Arysta Lifescience Polska Sp. Z.O.O	0%	70	-1%	(11)			-1%	-11	1%	74	0%	5			1%	5
		2945	Arysta Lifescience Rus Llc	1%	118	0%	(8)			0%	-8	1%	116	1%	17			3%	17
		2950	Decco Portugal Post Harvest Lda	0%	(0)	0%	0			0%	0	0%	(0)	0%	0			0%	0
		2955	Agripraza Ltda.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		2960	Agriphar Poland Sp. Zoo	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		2970	Arysta Lifescience Slovakia S.R.O.	0%	5	0%	(4)			0%	-4	0%	4	0%	2			0%	2
		2980	Arysta Lifescience Ukraine Llc	0%	20	-2%	(32)			-2%	-32	0%	28	1%	18			3%	18
		2990	Arysta Lifescience Kiev Llc	0%	-	0%	(0)			0%	-0	0%	0	0%	-			0%	-
		3000	United Phosphorus Inc., U.S.A.	-8%	(1,526)	50%	887			55%	887	-15%	(2,225)	4%	60			11%	60
		3050	Upi Finance Llc	0%	0	0%	-			0%	-	0%	0	0%	0			0%	0
		3100	Cerexagri, Inc. (Pa), Usa	2%	406	0%	1			0%	1	3%	369	0%	2			0%	2
		3150	Upl Delaware, Inc., Usa	0%	(46)	-1%	(16)			-1%	-16	0%	(26)	-1%	(16)			-3%	(16)
		3200	Canegrass Llc, Usa	0%	0	-2%	(28)			-2%	-28	0%	45	1%	8			1%	8
		3300	Decco Us Post-Harvest Inc (Us)	-1%	(146)	-12%	(209)			-13%	-209	0%	70	-2%	(36)			-6%	(36)
		3350	Essentiv Lcc (50%)	0%	(24)	0%	2			0%	2	0%	(24)	0%	(0)			0%	(0)

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount	March 31, 2019 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount
		3400	Riceco Llc, Usa	0%	93	0%	(2)			0%	-2	1%	87	-2%	(27)			-5%	(27)
		3450	Riceco International, Inc.Bhamas	2%	312	1%	26			2%	26	2%	266	1%	21			4%	21
		3550	Arysta Lifescience Inc.	128%	24,772	11%	202			12%	202	157%	23,036	-32%	(462)			-82%	(462)
		3560	Arysta Lifescience Management Company, Llc	-1%	(183)	0%	(5)			0%	-5	-1%	(163)	-3%	(41)			-7%	(41)
		3570	Arysta Lifescience Spc, Llc	0%	0	0%	-			0%	-	0%	-	0%	-			0%	-
		3580	Arysta Lifescience America Inc.	0%	73	0%	7			0%	7	0%	59	0%	1			0%	1
		3590	Arvesta Corporation	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		3600	Advanta Us, Llc (Formerly Known As Advanta Us Inc, Usa)	0%	(44)	-2%	(33)			-2%	-33	0%	(9)	-3%	(48)			-9%	(48)
		3700	Arysta Lifescience Canada, Inc.	7%	1,394	0%	(5)			0%	-5	9%	1,359	1%	11			2%	11
		3730	Arysta Lifescience Canada Bc Inc.	7%	1,340	10%	171			11%	171	7%	972	0%	2			0%	2
		3800	Arysta Lifescience North America, Llc	-12%	(2,321)	-26%	(466)			-29%	-466	-10%	(1,397)	-1%	(12)			-2%	(12)
		3830	Arysta Lifescience Na Holding Llc	2%	449	0%	(0)			0%	-0	3%	410	0%	3			1%	3
		3840	Gbm Usa Llc	0%	(9)	0%	-			0%	-	0%	(8)	0%	-			0%	-
		3850	Dutch Agricultural Investment Partners Llc	0%	5	0%	2			0%	2	0%	-	0%	-			0%	-
		3860	Netherlands Agricultural Investment Partners Llc	0%	65	1%	13			1%	13	0%	10	0%	1			0%	1
		3870	Arysta Lifescience Investments Llc	0%	56	3%	46			3%	46	0%	2	0%	(0)			0%	(0)
		3880	UPL Services LLC	0%	5	0%	4			0%	4	-	-	-	-			-	-
		4000	Upl Corporation Limited, Mauritius	-13%	(2,505)	7%	121			7%	121	-41%	(5,945)	12%	221			31%	248
		4050	Upl Management Dmcc	1%	149	-2%	(29)			-2%	-29	1%	157	2%	27			5%	27
		4100	Upl Limited Mauritius	6%	1,106	34%	608			38%	608	3%	475	13%	186			33%	186
		4200	Advanta Seeds International, Mauritius	5%	977	8%	143			9%	143	5%	758	6%	89			16%	89
		4250	Advanta Seeds Dmcc [Formerly Advanta Seeds Jlt], Uae	1%	156	-1%	(12)			-1%	-12	1%	155	0%	(5)			-1%	(5)
		4600	Upl Limited, Gibraltor (Formerly Known As Uniphos Limited,Gibraltor)	18%	3,554	19%	336			21%	336	20%	2,953	37%	537			95%	537
		4700	Arysta Lifescience (Mauritius) Ltd	2%	294	2%	36			2%	36	2%	238	1%	13			2%	13
		5000	Upl Agro Sa De Cv. (Formerly Known As United Phosphorus De Mexico, S.A. De C.V.)	0%	(72)	-4%	(71)			-4%	-71	0%	(23)	0%	(7)			-1%	(7)
		5030	Arysta Lifescience Mexico, S.A.De C.V	1%	159	-6%	(106)			-7%	-106	2%	276	-1%	(8)			-1%	(8)
		5040	Arysta Lifescience Mexico Holding S.A.De C.V	0%	(3)	0%	(1)			0%	-1	0%	(3)	0%	(0)			0%	(0)
		5050	Decco Postharvest Mexico (Formerly Known As Decco Jifkins Mexico Sapi)	0%	(11)	0%	(0)			0%	-0	0%	(12)	0%	(4)			-1%	(4)
		5060	Bioenzymas S.A. De C.V.	0%	12	0%	2			0%	2	0%	12	0%	0			0%	0
		5065	Desarrollos Inmobiliarios Alianza De Coahuila, S.A. De C.V.	0%	0	0%	(0)			0%	-0	0%	0	0%	(0)			0%	(0)
		5070	Grupo Bioquimico Mexicano, S.A. De C.V.	2%	322	4%	66			4%	66	2%	313	1%	10			2%	10
		5075	Agroquimicos Y Semillas, S.A. De C.V.	0%	16	0%	2			0%	2	0%	16	0%	0			0%	0

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₹ in crore

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		5080	Omega Agroindustrial, S.A. De C.V.	0%	9	0%	2			0%	2	0%	9	0%	(3)			0%	(3)
		5085	Servicios Agricolas Mundiales Sa De Cv	0%	8	0%	1			0%	1	0%	8	0%	2			0%	2
		5090	Tecno Extractos Vegetales, S.A. De C.V.	1%	100	1%	16			1%	16	1%	99	0%	1			0%	1
		5095	Tesaurus Mexico S.A. De C.V.	0%	0	0%	-			0%	-	0%	0	0%	-			0%	-
		5130	Advanta Commercio De Sementes Ltda, Brazil	0%	(70)	-5%	(88)			-5%	-88	-1%	(92)	-3%	(46)			-8%	(46)
		5140	Perrey Participações S.A	0%	6	0%	(0)			0%	-0	0%	7	0%	(0)			0%	(0)
		5170	Uniphos Industria E Comercio De Produtos Quimicos Ltda.	0%	9	0%	(2)			0%	-2	0%	12	1%	19			3%	19
		5190	Upl Do Brasil - Industria E Comércio De Insumos Agropecuários S.A.	-6%	(1,174)	-21%	(382)			-24%	-382	-8%	(1,100)	13%	194			34%	194
		5230	Volcano Agrociencia Industria E Comercio De Defensivos Agricolas Ltda	0%	-	0%	(1)			0%	-1	0%	2	0%	(0)			0%	(0)
		5240	Arysta Lifescience Centroamerica, S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5260	Arysta Lifescience De Guatemala, S.A.	0%	15	0%	3			0%	3	0%	9	0%	(0)			0%	(0)
		5270	Industrias Agriphar Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5280	Arysta Lifescience Corporation Republica Dominicana, Srl	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5290	Grupo Bioquimico Mexicano Republica Dominicana Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5300	Upl Costa Rica S.A.	0%	(8)	1%	12			1%	12	0%	(20)	0%	(1)			0%	(1)
		5330	Arysta Lifescience S.R.L.	0%	52	0%	3			0%	3	0%	40	0%	(1)			0%	(1)
		5360	Upl Bolivia S.A	0%	(36)	-1%	(19)			-1%	-19	0%	(13)	0%	(7)			-1%	(7)
		5380	Arysta Lifescience Paraguay S.R.L.	0%	16	0%	(6)			0%	-6	0%	20	0%	1			0%	1
		5390	Arvesta Paraguay S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5430	Icona Sanluis S A - Argentina	0%	(1)	1%	24			1%	24	0%	(24)	0%	(6)			-1%	(6)
		5440	UPL Paraguay S.A.	0%	24	2%	27			2%	27	0%	(6)	0%	4			1%	4
		5450	Advanta Semillas Saic, Argentina	1%	139	5%	81			5%	81	0%	(57)	-2%	(22)			-4%	(22)
		5460	Arysta Lifescience Costa Rica Sa.	0%	(4)	0%	(3)			0%	-3	0%	(1)	0%	0			0%	0
		5470	Agriphar De Costa Rica Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5480	Arysta Agroquimicos Y Fertilzantes Uruguay Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5530	Arysta Lifescience Ecuador S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5540	Arysta-Lifescience Ecuador S.A.	0%	14	0%	3			0%	3	0%	10	0%	(1)			0%	(1)
		5560	Industrias Bioquim Centroamericana, Sociedad Anónima	1%	174	0%	(6)			0%	-6								
		5570	Procultivos, Sociedad Anónim	0%	2	0%	0			0%	0								
		5580	Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. June 26, 2019)	0%	1	0%	0			0%	0								

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₹ in crore

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		5590	Bioquim, Sociedad Anónima	0%	0	0%	-			0%	-								
		5610	Bioquim Panama, Sociedad Anónima	0%	(2)	0%	(0)			0%	-0								
		5620	Bionic Nicaragua, Sociedad Anónima (w.e.f. June 26, 2019)	0%	(8)	0%	(2)			0%	-2								
		5630	Upl Argentina S A (Formerly Known As Icona S A - Argentina)	0%	(75)	-8%	(135)			-8%	-135	-2%	(235)	-15%	(220)			-39%	(220)
		5640	Arysta Lifescience Argentina S.A.	1%	159	-2%	(34)			-2%	-34	1%	178	-1%	(13)			-2%	(13)
		5650	Decco Chile Spa	0%	20	0%	4			0%	4	0%	19	1%	7			1%	7
		5660	Arysta Lifescience Chile S.A.	2%	420	4%	76			5%	76	2%	300	0%	3			1%	3
		5670	Arysta Lifescience Peru S.A.C	0%	3	0%	1			0%	1	0%	2	0%	0			0%	0
		5690	Arysta Lifescience Do Brasil Indústria Química E Agropecuária Sa	0%	(0)	11%	197			12%	197	6%	900	2%	29			5%	29
		5700	Upl Colombia Sas (Formerly Known As Evofarms Colombia Sa)	0%	33	1%	18			1%	18	0%	7	-1%	(12)			-2%	(12)
		5730	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	0%	0	0%	-			0%	-								
		5740	Nutriquim De Guatemala, Sociedad Anónima	0%	0	0%	-			0%	-								
		5750	Arysta Lifescience Colombia S.A.S	1%	98	0%	(6)			0%	-6	1%	116	0%	(1)			0%	(1)
		5760	Agriphar De Colombia Sas	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5950	United Phosphorus Cayman Limited	1%	107	2%	44			3%	44	0%	51	-1%	(12)			-2%	(12)
		5960	Up Aviation Limited, Cayman Island	0%	20	0%	0			0%	0	0%	18	0%	2			0%	2
		6000	Upl Australia Limited (Formerly Known As United Phosphorus Limited, Australia)	-1%	(167)	-16%	(285)			-18%	-285	0%	32	0%	7			1%	7
		6030	Arysta Lifescience Australia Pty Ltd.	0%	77	0%	2			0%	2	1%	79	0%	6			1%	6
		6040	Macdermid Agricultural Solutions Australia Pty Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		6050	Upl New Zealand Limited (Formerly Known As United Phosphorus Limited, New Zealand)	0%	4	0%	0			0%	0	0%	3	0%	1			0%	1
		6060	Etec Crop Solutions Limited	0%	59	1%	14			1%	14	0%	47	0%	1			0%	1
		6100	Upl Shanghai Ltd (Formerly Known As United Phosphorus (Shanghai) Company Limited)	0%	(9)	-1%	(18)			-1%	-18	0%	10	0%	(5)			-1%	(5)
		6110	Upl Jiagnsu Limited	0%	20	0%	(0)			0%	-0	0%	5	0%	0			0%	0
		6140	Arysta Lifescience (Shanghai) Co., Ltd.	0%	12	-2%	(29)			-2%	-29	0%	39	0%	(3)			-1%	(3)
		6150	Advanta Seeds Pty Ltd, Australia	1%	209	-1%	(26)			-2%	-26	2%	248	3%	47			8%	47
		6180	Macdermid (Shanghai) Chemical Ltd.	0%	7	0%	(0)			0%	-0	0%	7	0%	(0)			0%	(0)
		6200	Upl Limited Korea Co.Ltd. (Formerly Known As United Phosphorus (Korea) Limited)	0%	3	0%	2			0%	2	0%	1	0%	(2)			0%	(2)
		6230	Arysta Lifescience Korea Ltd.	0%	(4)	0%	(3)			0%	-3	0%	(1)	0%	1			0%	1
		6260	Arysta Lifescience Pakistan (Pvt.) Ltd.	0%	39	1%	16			1%	16	0%	24	0%	(1)			0%	(1)

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount	March 31, 2019 Net Assets i.e. total assets minus total liabilities %	Amount	Share in profit or loss %	Amount	Share in other comprehensive income %	Amount	Share in total comprehensive income %	Amount
		6300	Pacific Seeds (Thai) Ltd, Thailand	3%	563	4%	78			5%	78	3%	458	7%	108			19%	108
		6330	Myanmar Arysta Lifescience Co., Ltd.	0%	91	1%	9			1%	9	0%	67	0%	(0)			0%	(0)
		6350	Pacific Seeds Holdings (Thai) Ltd , Thailand	0%	4	0%	(0)			0%	-0	0%	4	1%	10			2%	10
		6370	Arysta Lifescience (Thailand) Co., Ltd.	0%	51	0%	(2)			0%	-2	0%	51	0%	(2)			0%	(2)
		6380	Chemtura (Thailand) Ltd	0%	0	0%	(4)			0%	-4	0%	4	0%	-			0%	-
		6400	Pt.Upl Indonesia (Formerly Known As Pt. United Phosphorus Indonesia)	0%	(6)	0%	(5)			0%	-5	0%	0	0%	(4)			-1%	(4)
		6450	Pt Catur Agrodaya Mandiri, Indonesia	0%	(6)	0%	5			0%	5	0%	(12)	0%	2			0%	2
		6460	Pt. Advanta Seeds Indonesia	0%	(26)	0%	(7)			0%	-7	0%	(9)	0%	5			1%	5
		6470	Pt. Arysta Lifescience Tirta Indonesia	0%	28	0%	2			0%	2	0%	28	0%	(1)			0%	(1)
		6500	Upl Limited,Hong Kong(Formerly Known As United Phosphorus Limited, Hongkong)	1%	275	2%	43			3%	43	2%	236	2%	22			4%	22
		6530	UPL Agro Ltd	0%	0	0%	-			0%	-								
		6550	Upl Philippines Inc.(Formerly Known As United Phosphorus Corp. Philippines)	0%	9	0%	6			0%	6	0%	2	1%	10			2%	10
		6560	Arysta Lifescience Philippines Inc.	0%	(58)	0%	(3)			0%	-3	0%	(50)	0%	(1)			0%	(1)
		6600	Upl Vietnam Co. Ltd(Formerly Known As United Phosphorus Vietnam Co., Limited)	1%	127	1%	11			1%	11	1%	106	2%	24			4%	24
		6630	Arysta Lifescience Vietnam Co., Ltd.	0%	80	0%	(2)			0%	-2	0%	73	1%	14			3%	14
		6650	Uniphos Malaysia Sdn Bhd	0%	2	0%	0			0%	0	0%	2	0%	-			0%	-
		6660	Agriphar Sdn Bhd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		6700	Arysta Health And Nutrition Sciences Corporation	0%	28	-23%	(417)			-26%	-417	3%	418	1%	12			2%	12
		6730	Arysta Lifescience Corporation	-24%	(4,553)	-29%	(516)			-32%	-516	-21%	(3,084)	-3%	(42)			-7%	(42)
		6740	Arysta Lifescience Japan Holdings Goudou Kaisha	0%	(0)	0%	(0)			0%	-0	0%	(0)	0%	(0)			0%	(0)
		6780	Upl Limited, Japan	-17%	(3,246)	-8%	(145)			-9%	-145	-19%	(2,793)	-3%	(43)			-8%	(43)
		6800	Anning Decco Fine Chemical Co. Limited, China	0%	35	0%	3			0%	3	0%	30	0%	5			1%	5
		6830	Arysta Lifescience Asia Pte., Ltd.	0%	48	0%	(3)			0%	-3	0%	47	0%	(0)			0%	(0)
		6900	Riceco International Bangladesh Limited	0%	7	0%	1			0%	1	0%	5	0%	2			0%	2
		7100	Upl Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi (Formerly Known As Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey)	0%	16	-2%	(42)			-3%	-42	0%	69	-2%	(24)			-4%	(24)
		7150	Upl Agromed Tohumculuk Sa,Turkey	0%	(20)	0%	(9)			-1%	-9	0%	(12)	-2%	(32)			-6%	(32)
		7170	Decco Gida Tarım Ve Zirai Ürünler San. Tic A.S.	0%	6	0%	(1)			0%	-1	0%	7	0%	3			1%	3

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		March 31, 2019 Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
		7180	Arysta Lifescience Turkey Tarim Urunleri Limited Sir keti	0%	0	0%	(0)			0%	-0	0%	0	0%	(0)			0%	(0)
		7200	Safepack Products Limited,Isreal	0%	19	-1%	(12)			-1%	-12	0%	28	-1%	(12)			-2%	(12)
		7240	Agrifocus Limitada	1%	112	1%	16			1%	16	1%	94	0%	4			1%	4
		7250	Citrashine (Pty) Ltd, South Africa (Formerly Known As Friedshelf 1114 (Pty) Ltd, South Africa)	0%	(3)	0%	0			0%	0	0%	(4)	0%	1			0%	1
		7260	Anchorprops 39 (Pty) Ltd	0%	(2)	0%	0			0%	0	0%	(2)	0%	0			0%	0
		7270	Arysta Lifescience Holdings Sa (Pty) Ltd	0%	(71)	0%	(2)			0%	-2	-1%	(79)	0%	(0)			0%	(0)
		7280	Callietha Investments (Pty) Ltd	0%	14	0%	-			0%	-	0%	16	0%	-			0%	-
		7290	Volcano Agroscience (Pty) Ltd	1%	111	1%	20			1%	20	1%	107	0%	(4)			-1%	(4)
		7300	Arysta Lifescience South Africa (Pty) Ltd	0%	50	0%	(4)			0%	-4	1%	98	0%	(7)			-1%	(7)
		7330	Volcano Chemicals (Pty) Ltd	0%	0	0%	(0)			0%	-0	0%	0	0%	-			0%	-
		7340	Kempton Chemicals (Pty) Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		7360	Sidewalk Trading (Pty) Ltd	0%	(0)	0%	(0)			0%	-0	0%	(0)	0%	-			0%	-
		7370	Arysta Lifescience Kenya Ltd.	0%	2	0%	(6)			0%	-6	0%	4	0%	1			0%	1
		7380	Arysta Lifescience Tanzania Ltd	0%	(6)	0%	(3)			0%	-3	0%	(3)	0%	(1)			0%	(1)
		7390	Arysta Lifescience Cameroun Sa	0%	(6)	0%	(7)			0%	-7	0%	(8)	0%	3			1%	3
		7550	Prolong Limited	0%	0	0%	0			0%	0	0%	(0)	0%	(2)			0%	(2)
		7560	Arysta Lifescience Egypt Ltd	0%	3	0%	(0)			0%	-0	0%	2	0%	(0)			0%	(0)
		7570	Arysta Lifescience Togo Sau	0%	1	0%	(2)			0%	-2	0%	2	0%	(0)			0%	(0)
		7580	Calli Ghana Ltd.	0%	(6)	0%	4			0%	4	0%	(10)	0%	(1)			0%	(1)
		7590	Callivoire Sgfd S.A.	0%	41	-1%	(11)			-1%	-11	0%	43	0%	(0)			0%	(0)
		7630	Mali Protection Des Cultures (M.P.C.) Sa	0%	9	0%	1			0%	1	0%	5	0%	3			1%	3
		2660	Veto-Pharma Sa	0%	-	0%	-			0%	-	0%	-	0%	1			0%	1
		2670	Wyjolab S.A.	0%	-	0%	-			0%	-	0%	-	0%	0			0%	0
		5410	Dva Technology Argentina S.A.	0%	-	0%	-			0%	-	0%	-	0%	0			0%	0
		6170	Macdermid (Nanjing) Chemical Ltd.	0%	-	0%	(5)			0%	(5)	0%	5	0%	(0)			0%	(0)
3	Non-controlling interest			-17%	(3,312)	-23%	(402)			-25%	-402	-23%	(3,358)	-5%	(72)			-13%	(72)
4	Associates																		
	Indian																		
		1460	Kerala Enviro Infrastructure Limited	0%	6	0%	1			0%	1	0%	5	0%	1			0%	1

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013: (Contd.)

₹ in crore

S. No.	Particulars	Co. code	Name of the Entity in the Group	March 31, 2020 Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		March 31, 2019 Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
		1470	Weather Risk Management Private Ltd	0%	11	0%	(2)			0%	-2	0%	13	0%	(1)			0%	(1)
				0%		0%				0%									
	Foreign	5120	3Sb Produtos Agrícolas S.A. (45%)	0%	65	-1%	(9)			-1%	-9	1%	89	0%	(1)			0%	(1)
		5110	Sinagro Produtos Agropecuários S.A. (45%)	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		5220	Seara Bonita Sementes S.A. (33.33%)	1%	158	0%	4			0%	4	1%	190	0%	2			0%	2
		7730	Agri Fokus (Pty) Ltd.	0%	4	0%	1			0%	1	0%	4	0%	0			0%	0
		7740	Novon Retail Company (Pty) Ltd.	0%	6	0%	(0)			0%	-0	0%	7	0%	0			0%	0
		7760	Agronamic (Pty) Ltd.	0%	4	0%	(0)			0%	-0	0%	5	0%	0			0%	0
		7780	Novon Protecta (Pty) Ltd	0%	6	0%	(1)			0%	-1	0%	7	0%	0			0%	0
		7750	Silvix Forestry (Pty) Ltd.	0%	0	0%	0			0%	0	0%	0	0%	0			0%	0
		7770	Nexus Ag (Pty) Ltd	0%	9	0%	1			0%	1	0%	10	0%	0			0%	0
		6120	Dalian Advanced Chemical Co.Ltd.	0%	1	0%	(0)			0%	-0	0%	1	0%	(0)			0%	(0)
		7670	Société Des Produits Industriels Et Agricoles	0%	13	0%	1			0%	1	0%	4	0%	-			0%	-
5	Joint Venture Foreign	6790	Hodagaya UPL Co. Limited	0%	28	0%	4			0%	4	0%	23	0%	2			0%	2
		6160	Longreach Plant Breeders Management Pty Limited	0%	49	0%	2			0%	2	0%	50	1%	9			2%	9
										0%									
6	Other Comprehensive Income							100%	(160)	-10%	-160					100%	(855)	-156%	(882)
			Total	**100%**	**19,282**	**100%**	**1,776**	**100%**	**(160)**	**100%**	**1,616**	**100%**	**14,715**	**100%**	**1,491**	**100%**	**(855)**	**100%**	**636**

43. HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Group uses full currency interest rate swaps and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

₹ in crore

Nature of Instrument	Currency	March 31, 2020		March 31, 2019		Purpose - Hedging/ Speculation
		(In '000) Amount outstanding	Amount outstanding	(In '000) Amount outstanding	Amount outstanding	
(a) Forward contracts - Sell	USD	1,75,905	1,331	1,25,564	868	Hedging
Forward contracts - Sell	AUD	8,058	37	10,650	53	Hedging
Forward contracts - Sell	EUR	28,153	233	39,552	307	Hedging
Forward contracts - Sell	CAD	21,000	111	3,200	16	Hedging
Forward contracts - Sell	NZD	330	1	814	4	Hedging
Forward contracts - Sell	GBP	3,200	30	-	-	Hedging
Forward contracts - Sell	JPY	5,76,728	40	-	-	Hedging
Forward contracts - Sell	CLP	14,19,024	13	-	-	Hedging
Forward contracts - Buy	USD	4,97,028	3,761	5,24,261	3,626	Hedging
Forward contracts - Buy	EUR	23,619	196	33,687	262	Hedging
Forward contracts - Buy	JPY	-	-	4,40,167	27	Hedging
Forward contracts - Buy	HUF	23,00,000	53	-	-	Hedging
(b) Derivative contracts						
(i) (a) Option Receivable	USD	30,000	227	10,000	69	Hedging
(ii) Full Currency Interest Rate Swap contracts - Buy	USD	-	-	-	-	Hedging (refer note 1 below)
Full Currency Interest Rate Swap contracts - Buy	EUR	-	-	-	-	Hedging (refer note 1 below)
(iii) Cross Currency Interest Rate Swaps on Loans Payable	EUR	13,28,872	11,014	13,28,872	10,321	Hedging (refer note 2 below)
Cross Currency Interest Rate Swaps on Loans Payable	JPY	4,43,00,000	3,087	4,43,00,000	2,766	Hedging (refer note 2 below)
Note 1:- Hedging against the underlying ₹ borrowings by which: - Group will receive principal in ₹ and pay in foreign currency - Group will receive fixed interest in ₹ and pay fixed / floating interest in foreign currency.						
Note 2:- Hedging against the underlying USD borrowings by which: - Group will receive principal in USD and pay in EUR and JPY - Group will receive floating interest in USD and pay fixed interest in EUR and JPY.						
(c) Un-hedged Foreign Currency Exposure on:						
1 Payables	USD	10,62,702	8,041	21,16,797	14,639	
(including Foreign Currency payable in respect of	EUR	3,94,466	3,269	1,77,453	1,378	
derivative contracts as mentioned in (b) (ii & iii) above)	GBP	10,111	94	20,047	182	

43. HEDGING ACTIVITIES AND DERIVATIVES (Contd.)

₹ in crore

Nature of Instrument	Currency	March 31, 2020		March 31, 2019		Purpose - Hedging/ Speculation
		(In '000) Amount outstanding	Amount outstanding	(In '000) Amount outstanding	Amount outstanding	
	JPY	8,08,845	56	4,46,41,717	2,746	
	CHF	474	4	461	3	
	DKK	2,735	3	3,643	4	
	CLP	-	-	8,78,658	9	
	AED	115	0	136	0	
	INR	338	0	2,697	0	
	PLN	11	0	11	0	
	CAD	-	-	11,595	60	
	BRL	-	-	677	1	
	MUR	53	0	776	0	
	AUD	14,113	65	1,800	9	
	COP	-	-	1,48,61,709	32	
	ARS	-	-	1,77,319	28	
	CZK	26,575	8	24,105	7	
	HUF	-	-	93,837	2	
	CFA/XOF	2,63,384	3	1,70,633	2	
	TRY	-	-	59	0	
	ZAR	-	-	4,660	2	
	PYG	2,23,048	0	8,23,512	1	
	HRK	25	0	-	-	
	BGN	9	0	-	-	
	CNY	711	1	-	-	
	MYR	0	0	-	-	
	RMB	0	0	-	-	
	SEK	10	0	-	-	
	TZS	4,180	0	-	-	
2 Receivable	USD	7,72,614	5,846	12,40,402	8,578	
	EUR	2,11,163	1,750	1,77,158	1,376	
	GBP	13,496	126	29,235	265	
	JPY	6,49,24,690	4,524	4,46,59,602	2,747	
	CHF	316	2	181	1	
	DKK	-	-	932	1	
	CLP	4,59,426	4	25,45,931	26	
	AED	1,003	2	946	2	
	NZD	24	0	24	0	
	PLN	4,796	9	4,092	7	
	CAD	2,04,785	1,087	85,528	441	
	AUD	6,589	30	6,806	33	
	COP	82,12,950	15	2,54,15,945	55	
	ARS	4,20,380	49	6,10,999	97	
	CFA/XOF	-	-	2,948	0	
	ZAR	5,72,158	242	5,77,495	275	
	PYG	-	-	25,030	0	
	RON	2,927	5	5,841	10	
	RUB	0	0	2,38,602	25	
	BRL	63	0	-	-	
	ETB	2,695	1	-	-	
	HUF	512	0	-	-	
	IDR	63,679	0	-	-	
	MUR	311	0	-	-	
	PHP	33	0	-	-	
	PKR	2,25,318	10	-	-	
	TRY	40	0	-	-	

44. CATERGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

₹ in crore

	Refer note	Non-Current As at March 31, 2020	Non-Current As at March 31, 2019 Revised*	Current As at March 31, 2020	Current As at March 31, 2019 Revised*
(A) Accounting, classification and Fair Value:					
Investments accounted for using the equity method	5	360	408	-	-
Financial assets measured at fair value through profit or loss (FVTPL)					
Investments in others (unsecured)	5	9	9	-	2
Investments in unquoted equity shares	5	17	8	-	-
Investments in unquoted optionally convertible bonds	5	71	83	-	-
Derivative contracts (net)	7	79	-	499	28
		176	100	499	30
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares	5	77	138	-	-
Investments in unquoted equity shares	5	24	25	-	-
		101	163	-	-
Financial assets measured at amortised cost					
Security Deposits	6	89	85	26	35
Loans and advances to related party	6	68	71	0	0
Loans to employees	6	-	0	5	1
Sundry loans	6	-	-	10	15
Trade receivables	10	190	4	11,867	11,679
Interest Receivable	7	-	-	11	10
Export benefit receivables	7	35	35	226	138
Cash and cash equivalents	11	-	-	6,724	2,826
Other bank balances	11A	-	-	28	25
Other advances	7	9	200	65	134
		391	395	18,961	14,863
Financial liabilities measured at fair value through profit or loss (FVTPL)					
Derivative contracts	16	-	53	-	1
		-	53	-	1
Financial liabilities measured at amortised cost					
Redeemable Non convertible Debentures (Unsecured)	15	458	458	-	-
Bonds (Unsecured)					
- 3.25% Senior Notes	15	3,761	3,437	-	-
- 4.50% Senior Notes	15	2,247	2,045	-	-
From Bank					
- Foreign currency loan (Unsecured)	15	20,880	20,394	-	-
- Foreign currency loan (Secured)	15	0	1	335	169
- Others borrowings	15	18	17	713	1,597
Long term maturities of finance lease obligation					
- Obligations under finance leases	15	7	30	-	-
Commercial Papers	15	-	-	-	400
Discounted Trade receivables (Unsecured) - Factoring with recourse	15	-	-	250	312
Current maturities of long term borrowings	16	-	-	33	275

Notes to Consolidated Financial Statements
for the year ended March 31, 2020

44. CATERGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (Contd.)

₹ in crore

	Refer note	Non-Current As at March 31, 2020	Non-Current As at March 31, 2019 Revised*	Current As at March 31, 2020	Current As at March 31, 2019 Revised*
Payable towards acquisition of additional stake in UPL Do Brasil	16	42	65	2	2
Capital goods creditors	16	-	-	178	70
Interest accrued and not due on borrowings	16	-	-	110	181
Trade Deposits	16	-	-	68	61
Trade payables	19	-	-	10,233	9,847
Unpaid dividend	16	-	-	8	8
Current maturities of long term lease obligation	16	-	-	2	4
Others	16	3	18	337	128
		27,416	26,466	12,269	13,053

(B) Measurement of fair value:
Valuation techniques and significant unobservable inputs:

(i) Financial instruments measured at fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.
- The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2020 was assessed to be insignificant.

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

(ii) Financial instrument measured at amortised cost:

The carrying amount of financial assets and financial liability measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

45. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

₹ in crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
FVTOCI financial investments (Note 5):					
Investments in equity instruments (Quoted)	31-Mar-20	77	77	-	-
Others (Unquoted)	31-Mar-20	24	-	-	24
FVTPL financial investments (Note 5):					
Investments in equity instruments (Unquoted)	31-Mar-20	17	-	-	17
Investments in Optionally Convertible Bonds (Unquoted)	31-Mar-20	71	-	-	71
Investments in Others (Unquoted)	31-Mar-20	9	-	-	9
FVTPL Derivative Contracts (Note 7):					
Derivative contracts	31-Mar-20	578	578	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

₹ in crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
FVTOCI financial investments (Note 5):					
Investments in equity instruments (Quoted)	31-Mar-19	138	138	-	-
Others (Unquoted)	31-Mar-19	25	-	-	25
FVTPL financial investments (Note 5):					
Investments in equity instruments (Unquoted)	31-Mar-19	8	-	-	8
Investments in Optionally Convertible Bonds (Unquoted)	31-Mar-19	118	-	-	118
Investments in Others (Unquoted)	31-Mar-19	11	-	-	11
FVTPL Derivative Contracts (Note 7):					
Derivative contracts	31-Mar-19	28	28	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

₹ in crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value:					
Derivative financial liabilities (Note 16):					
Derivative contracts	31-Mar-20	-	-	-	-

45. FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019:

₹ in crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value:					
Derivative financial liabilities (Note 16):					
Derivative contracts	31-Mar-19	54	54	-	-

As on March 31, 2020, there are no transfers between Level 1 and Level 2 financial instruments.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

₹ in crore

	March 31, 2020	March 31, 2019
Opening balance	162	549
Acquisition	12	30
Disposal	(59)	(424)
Foreign exchange movement	6	7
Closing balance	**121**	**162**

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Groups principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuat+A183e because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings and by using interest rate swaps.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

₹ in crore

	March 31, 2020	March 31, 2019
Fixed rate instruments		
Borrowings from banks and other financial institutions	21,306	20,273
	21,306	**20,273**

₹ in crore

	March 31, 2020	March 31, 2019
Variable rate instruments		
Borrowings from banks and other financial institutions	7,396	8,435
	7,396	**8,435**

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in crore

	Increase/ decrease in basis points	Effect on profit or loss	Effect on equity
31-Mar-20			
USD	+50	(36)	(28)
	-50	36	28
Others	+100	(2)	(2)
	-100	2	2
31-Mar-19			
USD	+50	(39)	(26)
	-50	39	26
Others	+100	(4)	(3)
	-100	4	3

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Group hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

At March 31, 2020, the Group hedge position is stated in Note 43. This foreign currency risk is hedged by using foreign currency forward contracts and full currency interest rate swaps.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

₹ in crore

	Change in USD rate	Effect on profit or loss	Effect on equity
31-Mar-20	1%	(22)	17
	-1%	22	17
31-Mar-19	1%	(61)	(40)
	-1%	61	40

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

₹ in crore

	Change in EURO rate	Effect on profit or loss	Effect on equity
31-Mar-20	1%	(15)	(12)
	-1%	15	12
31-Mar-19	1%	(0)	(0)
	-1%	0	0

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, where the functional currency of the entity is a currency other than US dollars. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Equity price risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The investment in listed and unlisted equity securities are not significant.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company assesses impairment based on expected credit losses (ECL) model. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

	Trade receivables Days past due							
31-Mar-20	**Current**	**0-60 Days**	**61-180 days**	**181-270 days**	**> 270 Days**	**Total**	**PPA Adjustment**	**Total**
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Expected credit loss	116	17	43	38	820	1,034	44	1,078
Average %	2.99%	3.90%	10.43%	17.15%	57.13%			

	Trade receivables Days past due							
31-Mar-19	Current	0-60 Days	61-180 days	181-270 days	> 270 Days	Total	PPA Adjustment	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Expected credit loss	136	44	40	23	820	1,063	133	1,196
Average %	3.27%	6.24%	11.85%	17.95%	65.79%			

The Group has assessed the impact of COVID-19 pandemic on expected credit losses on its trade receivables on a collective basis. This amounted to ₹ 112 crore and is included in the total ECL figure of ₹ 1,078 crore as of March 31, 2020.

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 10 except for derivative financial instruments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ in crore

	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended 31-Mar-20				
Borrowings (Refer Note 15)	1,298	24,908	2,496	28,702
Other financial liabilities (Refer Note 16)	1,654	45	-	1,699
Trade and other payables (Refer Note 19)	10,233	-	-	10,233
Derivative contracts (Refer Note 16)	-	-	-	-
Lease obligations (Refer Note 49)	96	586	-	682
	13,185	**24,953**	**2,496**	**40,635**
Year ended 31-Mar-19				
Borrowings (Refer Note 15)	2,478	24,366	2,295	29,139
Other financial liabilities (Refer Note 16)	1,497	83	-	1,579
Trade and other payables (Refer Note 19)	9,847	-	-	9,847
Derivative contracts (Refer Note 16)	1	53	-	54
	13,822	**24,502**	**2,295**	**40,619**

Cash flow hedges

a) **Risk management strategy and how it is applied to manage risk:**

The Group has taken a floating rate borrowing in USD and given a loan In EUR and JPY other than its functional currency. In order to hedge Its exposure arising from variability of functional currency equivalent cash flows and Its interest rate cash flows exposure arising from floating rate of interest, the Group has entered Into a Cross Currency Interest Rate Swap ("CCIRS"). Therefore, the Group has established a hedge ratio of 1:1 for all its foreign currency hedging relationships. Hedge effectiveness is determined at the Inception of the hedge and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instruments.

b) **How the hedging activities may affect the amount, timing and uncertainty of its future cash flows;**

The summary of quantitative data about the Group's holding of cross currency interest rate swap contracts to hedge the foreign currency and interest rate exposure on its loan given and borrowings is as follows.

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Particulars	Currency	March 31, 2020			March 31, 2019		
		Average FX rate	Average interest rate	Notional Value	Average rate	Average interest rate	Notional Value
Foreign exchange and interest rate risk							
Cross currency interest rate swap	EUR	1.13	1.47%	13,28,870	1.13	1.47%	13,28,870
	JPY	110.75	1.13%	4,43,00,000	110.75	1.13%	4,43,00,000

c) **The effect that hedge accounting has had on the Group's balance sheet, statement of profit or loss and statement of changes in equity**

The impact of hedging instruments designated in hedging relationships on the statement of financial position of the Group is, as follows:

Particulars	Currency	March 31, 2020				March 31, 2019			
		Nominal amount	Carrying amount	Change in fair value of hedging instrument*	Change in fair value of hedging item*	Nominal amount	Carrying amount	Change in fair value of hedging instrument	Change in fair value of hedging item
Assets									
Cash flow hedge									
Foreign exchange contracts									
- CCIRS	EUR	13,28,870	162	147	(147)	9,95,590	17	17	(17)
	JPY	-	-	-	-	4,43,00,000	24	27	(27)
Liabilities									
Cash flow hedge									
Foreign exchange contracts									
- CCIRS	EUR	-	-	-	-	3,33,280	(4)	(4)	4
- CCIRS	JPY	4,43,00,000	(77)	(80)	80				

* used as the basis for hedge ineffectiveness

Cash flow hedges	March 31, 2020				March 31, 2019			
	Hedging gain or loss recognised in OCI	Amount reclassified from Profit or loss to OCI	Line item in statement of profit or loss	Line item in statement of financial position	Hedging gain or loss recognised in OCI	Amount reclassified from Profit or loss to OCI	Line item in statement of profit or loss	Line item in statement of financial position
Foreign currency exchange risk and Interest rate risk								
- CCIRS	407	(210)	Forex gain/ (loss)	Other financial assets (Non-current and Current)	16	(53)	Forex gain/ (loss)	Other financial liabilities (Non-current and Current)
		(330)	Interest on borrowing			(43)	Interest on borrowing	

Reconciliation of reserves

Cash flow hedge reserves

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Opening balance	(62)	-
Hedging gain or loss	407	16
Amount reclassified to P&L because the hedged item affected P&L	(540)	(96)
Foreign exchange movement	17	18
Closing balance	**(178)**	**(62)**

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47. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders of the Parent. Capital management is to ensure that Group maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2020 and March 31, 2019.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

₹ in crore

Particulars	March 31, 2020	March 31, 2019 Revised*
Borrowings (Note 15)	28,702	29,139
Less: cash and cash equivalents (Note 11)	(6,724)	(2,826)
Net debt	**21,978**	**26,313**
Equity	22,594	18,169
Total capital	22,594	18,169
Capital and net debt	**44,573**	**44,482**
Gearing ratio	49%	59%

*Refer Note 41

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

48. LEASES

The entity has adopted Ind AS 116 "Leases" with a date of initial application of April 1, 2019. As a result, the entity has changed its accounting policy for lease contracts.

The entity applied Ind AS 116 using the modified retrospective approach and recognised lease liability equal to the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

The Entity recognised a right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

A. Transition Disclosures

i. Impact on financial statements

On transition to Ind AS 116, the entity recognised ₹ 580 crore of right-of-use assets and ₹ 580 crore of lease liabilities. There was no difference recognised in retained earnings on date of initial application of the standard as the entity adopted the approach whereby the right-of-use assets are initially measured equal to the lease liability.

When measuring lease liabilities, the entity discounted lease payments using the incremental borrowing rate of the respective lease liability at April 1, 2019. The weighted-average rate applied is 7.05%.

ii. Reconciliation of operating lease commitment as at March 31, 2019 with lease liability recognised as at April 1, 2019:

Operating lease commitment as at March 31, 2019	191
Less: Recognition exemption for leases of low-value assets	-
Less: Recognition exemption for leases with less than 12 months of lease term at transition	-
	191

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for the year ended March 31, 2020

48. LEASES (Contd.)

Discounted using the incremental borrowing rate at April 1, 2019	(27)
Finance lease liabilities recognised as at March 31, 2019	15
Other reconciliation items	(2)
Extension options reasonably certain to be exercised:	403
Lease liability recognised as at April 1, 2019:	**580**

iii. Practical expedients opted by the group

(a) Separation of non-lease components from lease components

(b) Application of standard on a portfolio of leases with similar characteristics

(c) Reassessment whether a contract contains a lease as at the date of initial application i.e. 01.04.2019

(d) Non application of Ind AS 116 for the leases for which the remaining lease term is less than 12 months as on the date of initial application.

(e) The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(f) Use of hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

B. Leases as lessee

Qualitative Note: Nature of the lessee's leasing activities.

i. Right-of-use assets 2019 - 2020

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

₹ in crore

	Land and Buildings *	Plant and Machinery	Vehicles	Office equipment
Adoption of Ind AS 116 "Leases" (as on April 1, 2019)	417	8	149	7
Additions to right-of-use assets	245	8	31	4
Depreciation charge for the year	(112)	(4)	(71)	(3)
Derecognition of right-of-use assets	(32)	-	(3)	(0)
Balance at March 31, 2020	**518**	**12**	**106**	**7**

* Leasehold land is included under Note 3 Property, plant and equipment.

ii. Lease liability 2019 - 2020

Maturity analysis of lease liability - undiscounted contractual cash flows

₹ in crore

Less than one year	98
One to three years	238
More than three years	447
Total undiscounted cash flows	**783**
Lease liability	
Current	96
Non-current	586
Total Lease liability	**682**

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for the year ended March 31, 2020

48. LEASES (Contd.)

iii. Amount recognised in profit or loss

	2019 - 2020
	₹ in crore
Other income	
Income from sub-leasing right-of-use assets presented in 'other revenue'	-
General and administrative expenses	
Short-term lease rent expense	103
Low value asset lease rent expense	1
Variable lease rent expense	4
Other lease expense (additional cost)	3
Depreciation and impairment losses	
Depreciation of right of use lease asset	190
Impairment losses of right of use lease asset	0
Finance cost	
Interest expense on lease liability	45
Currency translation gains on lease liability	(0)
Currency translation losses on lease liability	0
	347

iv. Amount recognised in statement of cash flows

	2019 - 2020
	₹ crore
Cash outflow for short-term leases	103
Cash outflow for low-value asset leases	1
Cash outflow for variable leases	4
Principal component of Cash outflow for long-term leases	189
Interest component of Cash outflow for long-term leases	45
Total cash outflow for leases	342

v. Lease commitments for short term leases

	2019 - 2020
	₹ crore
Lease commitments for short term leases	5

49. IMPACT OF COVID-19

The Governments of various countries notified lockdown to contain the outbreak of COVID 19. Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures. The Group's crop protection and seeds businesses has been classified as an 'essential commodity', at par with medical equipment/ medicine, food chain, etc. As of today, all production facilities in various parts of the globe remain in operation, following enhanced internal safety guidelines. The Group follows a multi-sourcing strategy for active ingredients and raw materials allowing the Group to hedge supply risks and ensure reliable supply. The Group also maintains strategic safety stocks to ensure availability of raw materials and formulated products. During this period, the Group continued sales of their products and does not expect any material adverse impact at this point of time. Considering the liquidity position as at March 31, 2020 and expectation of cash generation from operations, the group believes that it has ability to service debt and other financing arrangements during the current financial year.

As per our report of even date attached.
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
UDIN No.: 20042070AAAABL2696

Place: Mumbai
Date: May 22, 2020

For and on behalf of the Board of Directors of UPL Limited
CIN No.-L24219GJ1985PLC025132

R.D. Shroff
Chairman & Managing Director
Din No.: 00180810
Place: Mumbai

A.C. Ashar
Whole-time Director
Din No.: 00192088
Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 22, 2020

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

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for the year ended March 31, 2020

ANNEXURE-1

The Statement includes the results of the following entities

Names of the entities

Subsidiaries:

Shroffs United Chemicals Limited
SWAL Corporation Limited
United Phosphorus (India) LLP
United Phosphorus Global LLP
Optima Farm Solutions Limited
UPL Europe Limited
UPL Deutschland GmbH (merged with Arysta Lifescience Germany GmbH w.e.f. April 1, 2019)
United Phosphorus Polska Sp.z o.o - Poland
UPL Benelux B.V.
Cerexagri B.V.
United Phosphorus Holdings Cooperatief U.A.
United Phosphorus Holdings B.V
Decco Worldwide Post-Harvest Holdings Cooperatief U.A.
Decco Worldwide Post-Harvest Holdings B.V.
United Phosphorus Holding, Brazil B.V
UPL Italia S.R.L
UPL Iberia, S.A
Decco Iberica Postcosecha, S.A.U.
Transterra Invest, S. L. U.
Cerexagri S.A.S.
Neo-Fog S.A.
UPL France
United Phosphorus Switzerland Limited.
Agrodan, ApS
Decco Italia SRL
Limited Liability Company "UPL"
Decco Portugal Post Harvest LDA
UPL NA Inc. (formerly known as United Phosphorus Inc.)
UPI Finance LLC
Cerexagri, Inc. (PA)
UPL Delaware, Inc.
Canegrass LLC
Decco US Post-Harvest Inc.
Essentiv LCC
RiceCo LLC
Riceco International, Inc.
UPL Corporation Limited
UPL Management DMCC
UPL Limited, Gibraltar
UPL Agro SA DE CV.
Decco PostHarvest Mexico
Perrey Participações S.A
Uniphos Industria e Comercio de Produtos Quimicos Ltda.
UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A.
UPL Costa Rica S.A.
UP Bolivia S.R.L
UPL Paraguay S.A.
Icona Sanluis S.A
UPL Argentina S.A.
Decco Chile SpA
UPL Colombia SAS
United Phosphorus Cayman Limited
UP Aviation Limited
UPL Australia Limited
UPL New Zealand Limited
UPL Shanghai Limited
UPL Limited Korea Co., Ltd
PT.UPL Indonesia
PT Catur Agrodaya Mandiri
UPL Limited, Hong Kong
UPL Philippines Inc.
UPL Vietnam Co. Limited
UPL Japan GK (FKA UPL Limited, Japan)
Anning Decco Fine Chemical Co. Limited
UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi
UPL Agromed Tohumculuk SA
Safepack Products Limited
Citrashine (Pty) Ltd
Prolong Limited
Agrinet Solutions Limited
Advanta Holdings B.V.
Advanta Netherlands Holdings B.V.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Advanta US LLC

Advanta Seeds International

Advanta Seeds DMCC

Advanta Commercio De Sementes LTDA

Advanta Semillas SAIC

Advanta Seeds Pty Ltd

Pacific Seeds (Thai) Ltd

Pacific Seeds Holdings (Thai) Limited

PT Advanta Seeds Indonesia

Advanta Seeds Ukraine LLC

UPL Jiangsu Limited

UPL Limited (formerly known as UPL Agro Limited)

Riceco International Bangladesh Limited

Uniphos Malaysia Sdn Bhd

Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S

Arysta LifeScience Investments LLC

Arysta LifeScience America Inc.

ANESA S.A.

Arysta LifeScience Management Company, LLC

Arysta LifeScience SPC, LLC

Arysta LifeScience India Limited

Arysta LifeScience Agriservice Private Limited

UPL Togo SAU (FKA Arysta LifeScience Togo SAU)

Arysta Agro Private Limited

Arysta LifeScience do Brasil Indústria Química e Agropecuária SA (merged with UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A. w.e.f 01 November 2019)

Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda (liquidated w.e.f. February 14, 2020)

GBM USA LLC

UPL Agrosolutions Canada, Inc. (formerly known as Arysta Lifescience Canada Inc)

Arysta Canada BC Inc.

Arysta LifeScience North America, LLC

Arysta LifeScience NA Holding LLC

Arysta LifeScience Inc

Arysta LifeScience Services LLP

Arysta LifeScience France SAS (merged with UPL France w.e.f. July 1, 2019)

Arysta LifeScience Benelux SPRL

Arysta LifeScience (Mauritius) Ltd

UPL South Africa (Pty) Ltd (FKA Arysta LifeScience South Africa (Pty) Ltd)

Arysta Health and Nutrition Sciences Corporation

Arysta LifeScience Corporation

Arysta LifeScience S.A.S.

Arysta LifeScience Chile S.A.

Arysta LifeScience Mexico, S.A.de C.V.

Grupo Bioquimico Mexicano, S.A. de C.V.

UPL Agricultural Solutions Netherlands BV (FKA UPL Agricultural Solutions Netherlands Cooperatief UA -FKA MacDermid Agricultural Solutions Netherlands Cooperatief UA)

Arysta LifeScience UK & Ireland Ltd

Arysta LifeScience Europe Sarl, (merged with UPL Agricultural Solutions Holdings BV w.e.f. December 29, 2019)

UPL Agricultural Solutions (FKA MacDermid Agricultural Solutions Italy Srl)

Dutch Agricultural Investment Partners LLC

Netherlands Agricultural Investment Partners LLC

Arysta LifeScience Bulgaria EOOD

Arysta LifeScience Romania SRL

Arysta LifeScience Kiev LLC

Arysta LifeScience Great Britain Ltd

Arysta LifeScience Technology BV

Arysta LifeScience Netherlands BV

Arysta LifeScience RUS LLC

Netherlands Agricultural Technologies CV (liquidated w.e.f. March 2020)

Dutch Agricultural Formations CV (liquidated w.e.f. March 2020)

Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi,

Arysta LifeScience Australia Pty Ltd.

Chemtura (Thailand) Ltd

MacDermid (Shanghai) Chemical Ltd.

Arysta-LifeScience Ecuador S.A.

Arysta LifeScience Ougrée Production Sprl,

Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services

Naturagri Soluciones, SLU (FKA Arysta LifeScience Iberia SLU)

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Arysta Lifescience Italia SrL (merged with UPL Italia w.e.f. April 1, 2019)

Agriphar Poland Sp. Zoo

Arysta LifeScience Switzerland Sarl

Vetophama SAS (FKA Arysta Animal Health SAS)

Sci PPWJ

Vetopharma Iberica SL (formerly known as Santamix Iberica SL, Spain)

United Phosphorus Global Services Limited (FKA Arysta LifeScience Global Services Limited)

Arysta LifeScience European Investments Limited

Arysta LifeScience U.K. Limited

Arysta LifeScience U.K. CAD Limited

Arysta LifeScience U.K. EUR Limited

Arysta LifeScience U.K. JPY Limited

Arysta LifeScience U.K. USD Limited

Arysta Lifescience U.K. Holdings Limited

Arysta LifeScience Japan Holdings Goudou Kaisha

Arysta LifeScience Cameroun SA

Callivoire SGFD S.A.

Arysta LifeScience Egypt Ltd

Calli Ghana Ltd.

Arysta LifeScience Kenya Ltd.

Mali Protection Des Cultures (M.P.C.) SA

Agrifocus Limitada

Arysta LifeScience Holdings SA (Pty) Ltd

Anchorprops 39 (Pty) Ltd

Callietha Investments (Pty) Ltd

Sidewalk Trading (Pty) Ltd

Volcano Agroscience (Pty) Ltd

Volcano Chemicals (Pty) Ltd,

Arysta LifeScience Tanzania Ltd

Arysta LifeScience (Shanghai) Co., Ltd.

Pt. Arysta LifeScience Tirta Indonesia

Arysta LifeScience Korea Ltd.

Arysta LifeScience Pakistan (Pvt.) LTD.

Arysta LifeScience Philippines Inc.

Arysta LifeScience Asia Pte., Ltd.

Arysta LifeScience (Thailand) Co., Ltd.

Arysta LifeScience Vietnam Co., Ltd.

Arysta LifeScience Holdings France SAS

Goëmar Développement SAS (merged with Arysta LifeScience Holdings France SAS w.e.f. January 2020)

Laboratoires Goëmar SAS

Natural Plant Protection S.A.S

Arysta LifeScience Czech s.r.o.

UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)

Arysta LifeScience Magyarorszag Kft.

UPL Polska Sp. z.o.o (formerly known as Arysta LifeScience Polska Sp. z.o.o)

Arysta LifeScience Vostok Ltd.,

Betel Reunion S.A.,

Arysta LifeScience Slovakia S.R.O.

Arysta LifeScience Slovakia S.R.O.

Arysta LifeScience Ukraine LLC;

Arysta LifeScience Global Limited,

Arysta LifeScience Argentina S.A.,

Arysta LifeScience Colombia S.A.S,

Arysta LifeScience CentroAmerica, S.A.

Arysta LifeScience Mexico Holding S.A.de C.V,

Bioenzymas S.A. de C.V.,

Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.,

Omega Agroindustrial, S.A. de C.V.

Agroquimicos y Semillas, S.A. de C.V.

Servicios Agricolas Mundiales SA de CV

Tecno Extractos Vegetales, S.A. de C.V.

Tesaurus Mexico S.A. de C.V.

Arysta LifeScience Paraguay S.R.L.

Arysta LifeScience Peru S.A.C

Arysta LifeScience Costa Rica SA.

Arysta LifeScience de Guatemala, S.A.

Arysta LifeScience S.R.L

Myanmar Arysta LifeScience Co., Ltd.

Arysta LifeScience U.K. BRL Limited

Etec Crop Solutions Limited

MacDermid Agricultural Solutions Australia Pty Ltd

Arvesta Corporation

Arysta LifeScience Registrations Great Britain Ltd

Agriphar SDN BHD

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Agriphar de Costa Rica SA (liquidated w.e.f. September 5, 2019)

Agriphar de Colombia SAS (liquidated w.e.f. July 8, 2019)

Industrias Agriphar SA

Kempton Chemicals (Pty) Ltd (liquidated w.e.f. June 28, 2019)

Agripraza Ltda.

Arysta LifeScience Corporation Republica Dominicana, SRL

Grupo Bioquimico Mexicano Republica Dominicana SA

Arysta LifeScience Ecuador S.A. (liquidated w.e.f. December 17, 2019)

Arvesta Paraguay S.A.

Arysta LifeScience U.K. USD-2 Limited

UPL Agricultural Solutions Holdings BV (formerly known as MacDermid Agricultural Solutions Holdings BV)

Industrias Bioquim Centroamericana, Sociedad Anónima (w.e.f. June 26, 2019)

Procultivos, Sociedad Anónim (w.e.f. June 26, 2019)

Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. June 26, 2019)

Bioquim, Sociedad Anónima (w.e.f. June 26, 2019)

Bioquim Panama, Sociedad Anónima (w.e.f. June 26, 2019)

Bioquim Nicaragua, Sociedad Anónima (w.e.f. June 26, 2019)

Biochemisch Dominicana, Sociedad De Responsabilidad Limitada (w.e.f. June 26, 2019)

Nutriquim De Guatemala, Sociedad Anónima (w.e.f. June 26, 2019)

Platform Sales Suisse GmbH

UPL Agro Limited (w.e.f. November 8, 2019)

UPL Portugal Unipessoal, Ltda (w.e.f December 3, 2019)

United Phosphorus Holdings Uk Limited (w.e.f. December 2, 2019)

AFS Agtech Private Limited (w.e.f. December 27, 2019)

UPL Services LLC (w.e.f December 2, 2019)

Natural Plant Protection Limited

Associates:

Kerala Enviro Infrastructure Limited

3SB Produtos Agrícolas S.A.

Sinagro Produtos Agropecuários S.A.

Serra Bonita Sementes S.A

Chemisynth (Vapi) Limited

Universal Pestochem (Industries) Limited

Weather Risk Management Services Private Ltd

Agri Fokus (Pty) Ltd

Novon Retail Company (Pty) Ltd

Agronamic (Pty) Ltd

Novon Protecta (Pty) Ltd

Silvix Forestry (Pty) Ltd

Nexus AG (Pty) Ltd

Dalian Advanced Chemical Co.Ltd

Société des Produits Industriels et Agricoles

CGNS Limited

Callitogo SA

Ingen Technologies Private Limited

Bioplanta Nutricao Vegetal,Industria e Comercio S.A.

Jointly controlled entities:

Hodogaya UPL Co. Limited

Longreach Plant Breeders Management Pty Ltd

United Phosphorus (Bangladesh) Limitednat

UPL

UPL LIMITED

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

(CIN: L24219GJ1985PLC025132)

Information at a Glance - Annual General Meeting

Particulars	Details
Date, Day and Time of AGM	August 31, 2020, Monday @ 3.00 p.m. (IST)
Mode of conduct	Video Conferencing/Other Audio Visual Means
Cut-off date for remote e-voting	August 24, 2020, Monday
Remote e-voting start date and time	August 28, 2020, Friday @ 9.00 a.m. (IST)
Remote e-voting end date and time	August 30, 2020, Sunday @ 5.00 p.m. (IST)
Dividend book closure date	August 21, 2020 Friday to August 31, 2020, Monday (both days inclusive)
Dividend payment date	Within 30 days from the date of AGM
E-voting website of NSDL	https://www.evoting.nsdl.com
Name, address and contact details of e-voting service provider	Mr. Sagar Ghosalkar National Securities Depository Limited Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Contact No.: 1800-222-990 E-mail: evoting@nsdl.co.in
Name, address and contact details of Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd. Unit: UPL Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083 Contact No.: 91-22-49186270 Fax No.: 91-22-49186060 E-mail: rnt.helpdesk@linkintime.co.in.
Address and e-mail of Company's Shares Department	UPL Limited Secretarial Department Uniphos House, C. D. Marg, 11th Road, Madhu Park, Khar (West), Mumbai 400 052 E-mail: upl.investors@upl-ltd.com

UPL

UPL LIMITED
Registered Office: 3-11, G.I.D.C., Vapi, Dist. Valsad, Gujarat, Pin – 396 195
(CIN: L24219GJ1985PLC025132)

Notice

NOTICE is hereby given that the **36th Annual General Meeting** of the Members of UPL Limited will be held on **Monday, August 31, 2020** at 3.00 p.m. (IST) through Video Conferencing/Other Audio Visual Means, to transact the following business:

ORDINARY BUSINESS:

To consider and if thought fit to pass resolutions nos. 1 to 3 as Ordinary resolutions and resolution no. 4 as Special resolution:

1. To consider and adopt the audited standalone financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditor thereon:

"RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditor thereon as circulated to the members with the notice of the Annual General Meeting and submitted to this meeting be and are hereby considered and adopted."

2. To consider and adopt the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditor thereon:

"RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditor thereon as circulated to the members with the notice of the Annual General Meeting and submitted to this meeting be and are hereby considered and adopted."

3. To declare dividend on equity shares:

"RESOLVED THAT a dividend at the rate of ₹ 6 (Rupees Six only) per equity share of ₹ 2 each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2020 and the same be paid out of the profits of the Company for the financial year ended March 31, 2020."

4. To re-appoint Mrs. Sandra Shroff (DIN: 00189012) as director liable to retire by rotation:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Sandra Shroff (DIN: 00189012), who retires by rotation at this meeting and who has attained the age of 75 years be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

To consider and if thought fit to pass resolution nos. 5 to 7 as Ordinary resolutions and resolution nos. 8 and 9 as Special resolutions:

5. To approve remuneration of the Cost Auditors for the financial year ending March 31, 2021:

"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 records of the Company for the financial year ending March 31, 2021, be paid remuneration amounting to ₹ 8,50,000/- (Rupees Eight Lakh Fifty Thousand Only) plus applicable taxes and out of pocket expenses if any.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be deemed necessary, proper or expedient to give effect to the above resolution."

6. To approve commission payable to Non-Executive Directors:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-executive directors of the Company (i.e. directors other than the Managing Director and/or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof with effect from April 1, 2020.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to finalise the terms and periodicity of payments, lay down policy, if required and to do all such acts, deeds and things as may be deemed necessary, proper or expedient to give effect to the above resolution."

7. To appoint Ms. Usha Rao-Monari (DIN: 08652684) as an Independent Director of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Usha Rao-Monari (DIN: 08652684), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, and upon the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years i.e. from December 27, 2019 up to December 26, 2024.

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

8. To re-appoint Mr. Hardeep Singh (DIN: 00088096) as an Independent Director of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Hardeep Singh (DIN: 00088096), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, and upon the recommendation of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation and to hold office for the second term of 5 (five) consecutive years i.e. from February 2, 2020 up to February 1, 2025.

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

9. To re-appoint Dr. Vasant Gandhi (DIN: 00863653) as an Independent Director of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon the recommendation of the Nomination and Remuneration Committee, Dr. Vasant Gandhi (DIN: 00863653) who was appointed as an Independent Director and who holds office up to November 22, 2020 be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years i.e. from November 23, 2020 up to November 22, 2025.

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

Notes:

Section A – Attendance and Documents Inspection

1. The meeting is deemed to be held at the place from where the Chairman shall be joining the meeting on video conferencing.

2. In view of the ongoing unprecedented Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 and the Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "the applicable Circulars") have permitted the companies to hold their Annual General Meeting ("AGM") through video conferencing/any other audio visual means ("VC facility") without the physical presence of the members at a common venue. Hence, in compliance with these Circulars, the AGM of the Company is being held though VC facility.

3. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the RTA/Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.upl-ltd.com under Investors section, websites of the Stock Exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com), and on the website of NSDL https://www.evoting.nsdl.com.

4. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ("the Act") with respect to Item Nos. 1 to 9 forms part of this Notice. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed.

5. 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. **Since the AGM is being held in accordance with the applicable Circulars, the facility for appointment of proxies by the members will not be available. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice**.

6. Corporate/institutional members intending to authorise their representative to attend the Meeting through VC facility are requested to send to the Company a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting. The said resolution/authorisation shall be sent at the e-mail id upl.investors@upl-ltd.com.

7. Participation of the members through VC facility shall be reckoned for the purpose of quorum for the AGM as per the applicable Circulars.

8. Facility of joining the AGM through VC facility shall open 30 minutes before the time scheduled for the AGM and will be available for Shareholders on first come first served basis. Alternatively, Shareholders can also view the proceedings of the AGM through live webcast facility available at https://www.evoting.nsdl.com

9. **Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at upl.investors@upl-ltd.com from August 21, 2020 (9:00 a.m. IST) to August 27, 2020 (5:00 p.m. IST). Those Members who have registered themselves shall be given an opportunity of speaking live in AGM or requested to send their video recording of not exceeding two minutes and the Company shall play the same in the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.**

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 ("the Act") and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 31, 2020. Members seeking to inspect such documents can send an e-mail to upl.investors@upl-ltd.com.

Section B – Dividend, TDS, Record Date, etc

11. **The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, August 21, 2020 to Monday, August 31, 2020, both days inclusive.**

12. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of AGM as under:

    i. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Thursday, August 20, 2020.

    ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, August 20, 2020.

13. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For Resident Shareholders:

13.1 Taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN	7.5% or as notified by the Government of India
Members not having PAN/valid PAN	20% or as notified by the Government of India

13.2 No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during FY2021 does not exceed ₹ 5,000 and also in cases where members provide valid Form15G/Form15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. Shareholder may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For Non-resident shareholders:

13.3 For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of such shareholders if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders need to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the shareholder
- Copy of Tax Residency Certificate (TRC) for the FY2021 obtained from the revenue authorities of the country of tax residence, duly attested by shareholder
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by shareholder.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

In case of Foreign Institutional Investors/ Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted to Link Intime or the Company before Thursday, August 20, 2020.

An email communication informing the Shareholders regarding this change in the Income-tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate is being sent by the Company at the registered email IDs of the Shareholders.

Section C – Updation of records, IEPF and queries on Annual Report

14. Members are requested to direct notifications about change of name/address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), nomination, power of attorney, bank account details or any other information to their respective depository participants(s) (DP) in case the shares are held in electronic mode or to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company ("Link Intime") at Link Intime India Pvt. Ltd., Unit: UPL Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai, Contact No.: 91-22-49186270, Fax No.: 91-22-49186060, E-mail: rnt.helpdesk@linkintime.co.in in case the shares are held in physical form.

15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

16. To support the 'Green Initiative', members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.

18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

20. **Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday, August 20, 2020 through e-mail on upl.investors@upl-ltd.com. The same will be replied by the Company suitably.**

21. Since the AGM will be held through VC facility, the Route Map is not annexed in this Notice.

22. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Link Intime/ Secretarial Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

23. Pursuant to the provisions of the Act:

    a) Dividend upto financial year 2011-12 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 ("IEPF") established by the Central Government pursuant to Section 125(1) of the Companies Act, 2013.

    b) Dividend for the years 2012-13 to 2018-19 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 IEPF pursuant to the respective due dates. For details please refer to Corporate Governance Report.

    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 March 31, 2019 on the website of the Company i.e. www.upl-ltd.com and also on the website of the Ministry of Corporate Affairs.

24. a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2019-20, transferred to the IEPF Authority the number of shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. June 19, 2019 and September 28, 2019 for the respective dividends. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed under Investor section on the Company's website https://www.upl-ltd.com/investors. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in.

    b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the web link http://iepf.gov.in/IEPFA/refund.html or contact Link Intime for lodging claim for refund of shares and/or dividend from the IEPF Authority.

Section D – Voting on resolution – Rules and Procedure

25. Voting Options - In view of meeting being held by audio visual means, the shareholders shall have two options of voting, both electronically as follows:

    A. Remote e-voting

    B. Electronic e-voting during the AGM

    A. Remote e-voting

- Voting through electronic means is made available pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard–2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India.
- The Company has approached National Securities Depository Limited (NSDL) for providing remote e-voting services through their e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company in the AGM Notice.
- The remote e-voting period commences on **Friday, August 28, 2020 (9:00 a.m. IST) and ends on Sunday, August 30, 2020 (5:00 p.m. IST)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. **Monday, August 24, 2020**, may cast their vote by remote e-voting. Those shareholders, who will be present in the AGM through the VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

  Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
- The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. August 24, 2020. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 31, 2020.

The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1 - How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders / Member' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN (E-Voting Event Number) alloted to UPL Limited followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. You can use/generate password as explained below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will ask you to change your password.

c) How to retrieve your 'initial password'?

   (i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 - How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 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. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to navnitlb@hotmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Sagar Ghosalkar at evoting@nsdl.co.in

<u>Process for those shareholders whose e-mail ids are not registered for procuring user id and password for e-voting is as under:</u>

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhar Card) by e-mail to evoting@nsdl.co.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhar Card) to evoting@nsdl.co.in.

B. The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for shareholders attending the AGM through video conferencing / other audio visual means are as under:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholder may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the Shareholder who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Shareholders can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Shareholders are encouraged to join the Meeting through Laptop / Desktop for better experience.

3. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

Section E – Declaration of voting results

1. A member may participate in the 36th Annual General Meeting ("AGM") even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

2. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. August 24, 2020 only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.

3. The Board of Directors have appointed Mr. N. L. Bhatia, Practicing Company Secretary (Membership No. FCS 1176 / C.P. No. 422) or failing him Mr. Bharat R. Upadhyay, Practicing Company Secretary (Membership No. FCS 5436 / C.P. No. 4457) or failing him Mr. Bhaskar Upadhyay (Membership No. FCS 8663 / C.P. No. 9625) as the Scrutinizer to scrutinize the remote e-voting and e-voting at AGM process in a fair and transparent manner. They have communicated their willingness to be appointed and will be available for the said purpose.

4. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

5. The results of voting will be declared and the same along with the Scrutinizers Report will be published on the website of the Company (www.upl-ltd.com) and the website of NSDL (https://www.evoting. nsdl.com). The Company shall simultaneously communicate the results along with the Scrutinizers Report to BSE Limited and the National Stock Exchange of India Limited where the shares of the Company are listed.

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

The Explanatory Statement sets out all material facts relating to the business(es) to be dealt at the Annual General Meeting as mentioned in the Notice:

Item No. 1 and 2: Approval of financial statements

In terms of section 129 of the Companies Act, 2013, the Company submits its standalone and consolidated financial statements for FY2020 for adoption by members at the Annual General Meeting (AGM).

The Board of Directors (the Board), on the recommendation of the Audit Committee, has approved the standalone and consolidated financial statements for the year ended March 31, 2020. Detailed elucidations of the financial statements have been provided under various sections of the Annual Report, including the Board's Report and Management Discussion and Analysis Report.

The standalone and consolidated financial statements of the Company along with the reports of the Board of Directors and Auditors thereon:

- have been sent to the members on their registered e-mail address and;
- have been uploaded on the website of the Company i.e. www.upl-ltd.com under "Investors" section.

The statutory auditor has issued an unmodified report on the financial statements and has confirmed that both, standalone and consolidated financial statements, represent true and fair view of the state of affairs of the Company.

In case members have any query or question on the financial statements, they are requested to send the queries/questions to the Company Secretary at least 10 days in advance to enable the management to respond to these queries objectively at the AGM.

The Board recommends the resolutions at Item Nos. 1 and 2 for approval of the members of the Company.

None of the directors and key managerial personnel and their relatives are in any way, financially or otherwise, interested or concerned in these resolutions except to the extent of their shareholding in the Company.

Item No. 3: Declaration of Dividend

In terms of provisions of the Companies Act, 2013, the Company can declare final dividend at the Annual General Meeting with the approval of the shareholders.

In line with the Dividend Distribution Policy of the Company, the Board has recommended dividend of ₹ 6 per equity share of ₹ 2/- each (300%) for the financial year ended March 31, 2020.

In case of shares held in physical form, the dividend recommended by the Board, if approved, will be paid to those members whose names will appear in the Register of Members as on close of Thursday, August 20, 2020. For shares held in dematerialised form, the dividend shall be paid to those Members whose names appear as beneficial owners pursuant to the details received from the depositories as on close of Thursday, August 20, 2020.

The Company will endeavor to pay the dividend as early as possible after the date of AGM however not later than 30 days therefrom. The same is subject to deduction of tax at source (TDS) as applicable.

The Board recommends the resolution at Item No. 3 for approval of the Members of the Company.

None of the directors and key managerial personnel and their relatives are in any way, interested or concerned in the resolution except to the extent of their shareholding in the Company.

Item No. 4: Re-appointment of Mrs. Sandra Shroff as Director – retiring by rotation

In terms of section 152 of the Companies Act, 2013, at least two-third of the directors (other than independent directors), shall be liable to retire by rotation, out of which at least one-third directors shall retire at every AGM. In compliance with this requirement, Mrs. Sandra Shroff, Vice-Chairperson of the Company retires by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. As per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members is sought by way of a Special resolution as Mrs. Sandra Shroff has attained the age of 75 years.

Mrs. Sandra Shroff has been associated with the Group since its inception in the year 1969. She has held various important positions in commercial, educational and social fields.

She has been closely associated with Chemexcil, ICMA (now known as ICC) and has been instrumental in solving the problems faced by the chemical industry throughout India. She is also associated with FICCI, Assocham and is presently the President of Burns Association of India.

She has been instrumental in the rapid industrial growth at Ankleshwar and Vapi over the last four decades and has actively taken up the provision of social infrastructure such as hospitals and schools. She is the Trustee of the Gnyan Dham Vapi Charitable Trust, Chairman of Ankleshwar Industrial Development Society, Chairman of Sandraben Nursing College and Ankleshwar Rotary Educational Society. These trusts have established schools, colleges and hospitals – amongst the best in South Gujarat.

She through Gnyan Dham School, has adopted a Model Eklavya School at Ahwa in the Dang District which has become, since the adoption, one of the best Eklavya Schools in Gujarat. Mrs. Shroff is involved in social and welfare activities such as building of village schools, providing sanitation for schools around Vapi, Ankleshwar and Jammu, providing tube-wells to villages, and training the tribal farmers with better methods of farming and agriculture, in their own fields and at our Farmers Training Centre at Vapi.

The statutory details required for re-appointment of Mrs. Sandra Shroff are enclosed in Annexure I. The Company has received consent from Mrs. Sandra Shroff in terms of section 152(5) of the Act. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mrs. Sandra Shroff's contribution not only in development of business but also in Risk Management and Corporate Social Responsibility function is of immense benefit to the Company. The Board recommends resolution at Item No. 4 relating to re-appointment of Mrs. Sandra Shroff as director liable to retire by rotation, for approval of the members as Special Resolution.

Mrs. Sandra Shroff, Mr. Rajnikant Shroff, Mr. Jai Shroff and Mr. Vikram Shroff may be deemed to be interested in this resolution.

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 this resolution.

Item No. 5: Remuneration of Cost Auditors

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. RA & Co., Cost Accountants as the Cost Auditor to audit the cost records of the Company for the financial year ending March 31, 2021 at a remuneration of ₹ 8,50,000/- (Rupees Eight Lakh Fifty Thousand only) plus applicable taxes as well as the reimbursement of reasonable out-of-pocket expenses on actual basis.

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 Auditor is required to be ratified by the shareholders of the Company.

In compliance with the above requirements, approval of the members is sought for passing resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

The Board recommends the resolution for approval of members by way of an Ordinary Resolution.

None of the directors or key managerial personnel and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

Item 6: Payment of Commission to Non-executive Directors

At the 31st Annual General Meeting of the Company held on July 30, 2015, the members had approved payment of commission not exceeding, in aggregate, one percent per annum of the Company's net profits calculated in accordance with the provisions of the Companies Act, 2013, to the non-executive directors of the Company, for a period of five years commencing April 1, 2015. The approval was valid till March 31, 2020 and needs to be renewed. In terms of the provisions of section 197 and Schedule V of the Companies Act, 2013 and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members is required for payment of remuneration to non-executive directors of the Company. Considering the roles and responsibilities of the directors, the Board seeks approval of the Members by ordinary resolution for payment of remuneration to the non-executive directors of the Company up to one percent per annum of the Company's net profits. The Board recommends the resolution for approval of the members as an ordinary resolution.

All non-executive directors may be regarded as concerned or interested in the resolution to the extent of the commission they may receive.

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 this resolution.

Item No. 7: Appointment of Ms. Usha Rao - Monari as Independent Director

Ms. Usha Rao-Monari was appointed by the Board of Directors as an Additional Director (Non-Executive, Independent) of the Company w.e.f December 27, 2019, upon the recommendation of the Nomination and Remuneration Committee. She holds office up to the date of the ensuing Annual General Meeting under Section 161 of the Companies Act, 2013.

Ms. Usha Rao-Monari is a seasoned investment professional with almost 30 years of experience, particularly in the infrastructure area. She is currently a Senior Advisor to Blackstone's Infrastructure Group. Prior to that, she served as Chief Executive Officer of Global Water Development Partners, a Blackstone portfolio company. Prior to Blackstone, she held several senior positions at International Finance Corporation, part of the World Bank Group. Her last position there was Director of Sustainable Business Advisory Group. Other positions included Global Head of the Water and Environmental Group, Head of Utilities and Public Partnerships, and experience in the petrochemicals and manufacturing business areas. She was instrumental in founding and establishing the 2030 Water Resources Group, a public-private partnership platform, which is now part of the World Bank Group. Prior to that, she was with Prudential Bache in the corporate finance and mergers and acquisitions areas. She has held a number of Board and advisory positions including on the Veolia Sustainability Committee to the Board, WaterHealth International Board, and Co-Chair, Steering Board, 2030 Water Resources Group, and chair/cochair of several World Economic Forum councils including Water, Natural Capital and Biodiversity and Environmental and Natural Resource Security.

It is proposed to appoint Ms. Usha Rao-Monari as an Independent Director under Section 149 of the Companies Act, 2013 to hold office for a first term of 5 (five) consecutive years w.e.f December 27, 2019. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

The Company has also received declaration from Ms. Usha Rao-Monari that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Ms. Usha Rao-Monari fulfills the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and is independent of the management. The Board believes that in view of her rich and varied experience, her association as Independent Director will be beneficial for the Company.

Details of Ms. Usha Rao-Monari are provided in the Annexure I to the Notice.

Copy of the draft letter for appointment of Ms. Usha Rao-Monari as Independent Director setting out the terms and conditions is available for inspection electronically from the date of circulation of this Notice up to the date of AGM.

Ms. Usha Rao-Monari is deemed to be interested in the resolution set out in the Notice.

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 this resolution.

The Board, recommends the Ordinary Resolution set out in the Notice for approval by the Members.

Item No. 8: Re-appointment of Mr. Hardeep Singh as Independent Director

The Members of the Company had appointed Mr. Hardeep Singh (DIN: 00088096), as an Independent Director of the Company for a term of 5 (five) consecutive years which ended on February 1, 2020. He was subsequently appointed by the Board of Directors as an Additional Director (Non-Executive, Independent) of the Company w.e.f February 2, 2020. The Members may note that pursuant to Section 149(10) of the Companies Act, 2013 ("the Act") an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment for a further term of up to 5 (five) consecutive years on passing of a special resolution by the Company.

Mr. Hardeep Singh has BA Hons in Economics from Pune University and Advanced Management Programme from Kellogg School of Management, USA.

He was Executive Chairman of Cargill South Asia until 2006 and was responsible for all Cargill companies' businesses in India and Pakistan. Cargill Inc is a global leader in the agriculture/food domain. He has served as Chairman Amalgamated Plantations, a Tata Enterprise. APPL holds all of the erstwhile Tata Tea plantation assets in Eastern India. He has also served as Non Executive Chairman of HSBC Invest Direct India Limited and Invest Direct Financial Services India Limited. Mr. Hardeep Singh started his career with the Tata Group and rose through the ranks to be Director – Agrochemicals, Rallis India Limited. During his stewardship Rallis Agrochemicals become the largest Agrochemicals business in India with unique assets and capabilities.

Mr. Hardeep Singh has chaired Confederation of Indian Industry [CII] national task force on food security and is a past member of National Council of CII and the National Committee for Agriculture of FICCI. He is a keen observer and practitioner in the Global and Indian Agriculture and Food arena. He has been an invited speaker on food and agriculture at Global Forums including the World Bank, US Department of Agriculture Global Conference, International Food Policy Research Institute [IFPRI] in Washington DC, Imperial College UK. He has been a guest lecturer at IIM Ahmedabad.

The Nomination and Remuneration Committee of the Board of the Company had unanimously recommended to the Board the re-appointment of Mr. Hardeep Singh as an Independent Director for the second term not exceeding five (5) consecutive years commencing from February 2, 2020, as the continued association of Mr. Hardeep Singh would be beneficial to the Company.

The Nomination and Remuneration Committee, while recommending re-appointment considered various factors, such as, the number of meetings of Board, its Committees and General Meetings attended by him, time devoted and his participation at the meetings, his knowledge, skill, expertise etc., his contributions in attaining Company's objectives, his independent judgment in the opinion of the entire Board.

The appointment of Mr. Hardeep Singh as an Additional Director is valid till the conclusion of the 36th Annual General Meeting under Section 161 of the Companies Act, 2013 and requires approval of Members for continuation.

Accordingly, it is proposed to seek approval of Members for re-appointment of Mr. Hardeep Singh as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years with effect from February 2, 2020.

The Company has also received declaration from Mr. Hardeep Singh that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In the opinion of the Board, Mr. Hardeep Singh fulfills the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations and is independent of the management.

Details of Mr. Hardeep Singh are provided in the "Annexure I" to the Notice.

Copy of the draft letter for appointment of Mr. Hardeep Singh as Independent Director setting out the terms and conditions is available for inspection electronically from the date of circulation of this Notice up to the date of AGM.

Mr. Hardeep Singh may be deemed to be interested in the resolution set out in the Notice.

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 this resolution.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Item No. 9: Re-appointment of Dr. Vasant Gandhi as Independent Director

The Members of the Company had appointed Dr. Vasant Gandhi (DIN: 00863653), as Independent Director of the Company for 5 (five) consecutive years for a term ending on November 22, 2020. The Members may note that pursuant to Section 149(10) of the Companies Act, 2013 ("the Act") an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of a company but shall be eligible for re-appointment for a further term of up to 5 (five) consecutive years on passing of a special resolution by the Company.

Dr. Vasant Gandhi is a Ph.D. from Stanford University, USA and a Professor at the Indian Institute of Management, Ahmedabad (IIMA). He holds a Post-Graduate Diploma in Management (MBA) from IIM Ahmedabad and a Bachelor of Science in Agriculture from Pantnagar. He has been Chairman of IIMA's Centre for Management in Agriculture, a Board member of IIMA, and the founder Chairman of IIMA's Post Graduate Programme in Agri-Business Management which is ranked no.1 agri-business programme in the world. Dr. Gandhi has worked with the World Bank and the International Food Policy Research Institute (IFPRI) in Washington, and at the grassroots level in agriculture and development in India. He has been visiting professor at University of Sydney, and James Cook University in Australia, and is adjunct professor at the University of South Australia. He has produced numerous books and over 100 research papers on issues ranging from economics, finance, food & agriculture policies, institutions & technology in agriculture, as well as markets & agribusiness. A well-known economist and management expert, he has been on a Prime Minister's Task Force, and consultant & advisor to numerous public and private organisations and is on the Boards of several companies.

The Nomination and Remuneration Committee of the Board of the Company has unanimously recommended to the Board, re-appointment of Dr. Vasant Gandhi as an Independent Director for second term not exceeding five (5) consecutive years commencing from November 23, 2020, as the continued association of Dr. Vasant Gandhi would be beneficial to the Company.

The Nomination and Remuneration Committee, while recommending re-appointment considered various factors, such as the number of meetings of Board, its Committees and General Meetings attended by him, time devoted and his participation at the meetings, his knowledge, skill, expertise etc., his contributions in attaining Company's objectives, his independent judgment in the opinion of the entire Board.

The appointment of Dr. Vasant Gandhi as an Independent Director, not liable to retire by rotation, will be valid for another term not exceeding 5 (five) consecutive years with effect from November 23, 2020.

The Company has also received declaration from Dr. Vasant Gandhi that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In the opinion of the Board, Dr. Vasant Gandhi fulfills the conditions for re-appointment as Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations and is independent of the management.

Details of Dr. Vasant Gandhi are provided in the "Annexure I" to the Notice.

Copy of the draft letter for appointment of Dr. Vasant Gandhi as Independent Director setting out the terms and conditions is available for inspection electronically from the date of circulation of this Notice up to the date of AGM.

Dr. Vasant Gandhi may be deemed to be interested in the resolution set out in the Notice.

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 this resolution.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Date: May 22, 2020
Place: Mumbai
Registered Office:
3-11, G.I.D.C., Vapi,
Dist. Valsad, Gujarat,
Pin - 396 195.
CIN: L24219GJ1985PLC025132

By Order of the Board of Directors

For UPL Limited

Rajnikant Shroff
Chairman and Managing Director
(DIN: 00180810)

ANNEXURE I - INFORMATION ABOUT DIRECTORS

Name of the Director	Sandra Shroff	Usha Rao-Monari	Hardeep Singh	Vasant Gandhi
Director Identification Number	00189012	08652684	00088096	00863653
Age	79	60	65	65
Date of joining the Board	October 1, 1992	December 27, 2019	February 2, 2015	November 23, 2015
Qualification	Cambridge - O Level	B.A. (Hons) in Economics, MBA from Jamnalal Bajaj Institute, Mumbai, Masters in International Affairs and Finance from Columbia University, USA Program for Management Development from Harvard Business School, USA	BA Hons in Economics from Pune University; Advanced Management programme from Kellogg School of Management, USA	Ph.D. from Stanford University, USA Post-Graduate Diploma in Management (MBA) from IIM Ahmedabad; Bachelor of Science in Agriculture from Pantnagar
Expertise in specific functional area	All functions of the Company, General Management including Corporate Social Responsibilities and liaisoning with various authorities.	Finance and Investment Banking	Management & Leadership, Global Business & Economics, Finance	Well known Economist and Management Expert
Profile	As detailed in the explanatory statement			
Number of meetings of the Board attended in FY2020 and remuneration details	As disclosed in the Corporate Governance Report			
Member/Chairperson of the Committees of the Company	Chairperson • Corporate Social Responsibility Committee Member • Stakeholders Relationship Committee • Risk Management Committee	Nil	Chairperson • Audit Committee Member • Nomination and Remuneration Committee	Member • Audit Committee
Directorships and Committee memberships in other companies*	• Uniphos Enterprises Limited • Shroffs United Chemicals Limited • Nivi Trading Limited • Ventura Guaranty Limited • Uniphos International Limited • Enviro Technology Limited • Beil Infrastructure Limited	None	• Escorts Limited – Audit Committee - Member – Stakeholders Relationship Committee • Mahindra Agri Solutions Limited	• Gujarat State Fertilizers & Chemicals Limited • Uttar Gujarat Vij Company Limited – Audit Committee - Member – Stakeholders Relationship Committee - Chairperson
No. of shares held in the Company as on March 31, 2020	Nil	Nil	48,807	Nil
Relationship with other directors/KMP	Spouse – Mr. Rajnikant Shroff Sons – Mr. Jai Shroff and Mr. Vikram Shroff	Not related to any Director or KMP of the Company		

*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 Stakeholders Relationship Committees of only public Companies have been included in the aforesaid table.

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UPL House
610 B/2, Bandra Village,
Off Western Express Highway,
Bandra-East, Mumbai 400 051, India.

/Concept, content and design at AICL (hello@aicl.in)