OpenAg™

Reimagining Sustainability

UPL Limited
Annual Report
2020-21

OpenAg™

Reimagining Sustainability

How companies respond to challenges is what defines them.

At UPL, **Realising Sustainability** has long been our dream and over the past decade we have been working to deliver this.

We have made it our mission to **reimagine sustainability in everything we do** – it is the basis for every project we start, every process we design and every business we launch.

Agriculture is facing many challenges and because of our focus in this area, we are confident UPL will be at the heart of the solution.

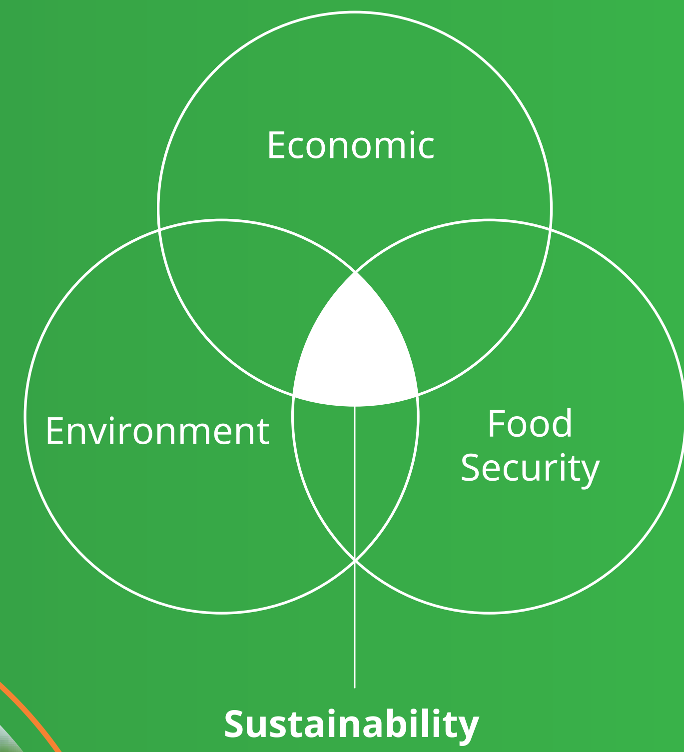
With a rapidly expanding portfolio of differentiated and sustainable products, our deep research and development pipeline of innovative projects, together with our cutting-edge digital capabilities - we are in the strongest position to support farmers more sustainably, around the world.

Sustainability is a big concept and so it is vital to define our intent and impact clearly, and in ways that are measurable and **unique to UPL**.

Our 3 way focus to deliver sustainability to the world:

- By reducing environmental impacts
- By actively building and promoting economic resilience for farmers
- By increasing the food security, supply and safety of food value chains

Reimagining sustainability with an open network to create sustainable growth for all - no limits, no borders.



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1. The world of UPL

Focused on creating a sustainable food system

2. Robust performance despite challenges

Strong fundamentals helping in making UPL resilient to headwinds

3. Reimagining Sustainability

For environment, growers and the food value chain

4. Committed to create value for our stakeholders

Creating stakeholder value through 'field-to-lab' business model

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CORPORATE PORTRAIT

Fostering a sustainable ecosystem

UPL leads the agri-solutions space through differentiated products, biosolutions, and collaborations across the food value chain to create sustainable food systems. Our offerings enhance the resilience of farmers against climate risks and ensure maximum farm yield at affordable costs, thereby growing their incomes.

Our interventions span the entire lifecycle of a diverse crop base worldwide. Our wide product portfolio comprises patented and post-patent agricultural solutions, including crop protection, BioSolutions and seed treatment, for various row and specialty crops.

We aim to transform agriculture through OpenAg, an agriculture network that feeds sustainable growth for all. No limits, no borders. This transformation has been accelerated through our early adoption of digitisation.

Our philosophy

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

Our mission is to 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.

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.

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.

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.

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.

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 hat we love to do.

UPL FACTSHEET

Demonstrating leadership

#5
Agro chemicals company in the world

#1
BioSolutions company

#1
Agrochemicals company in ESG by Sustainalytics[^]

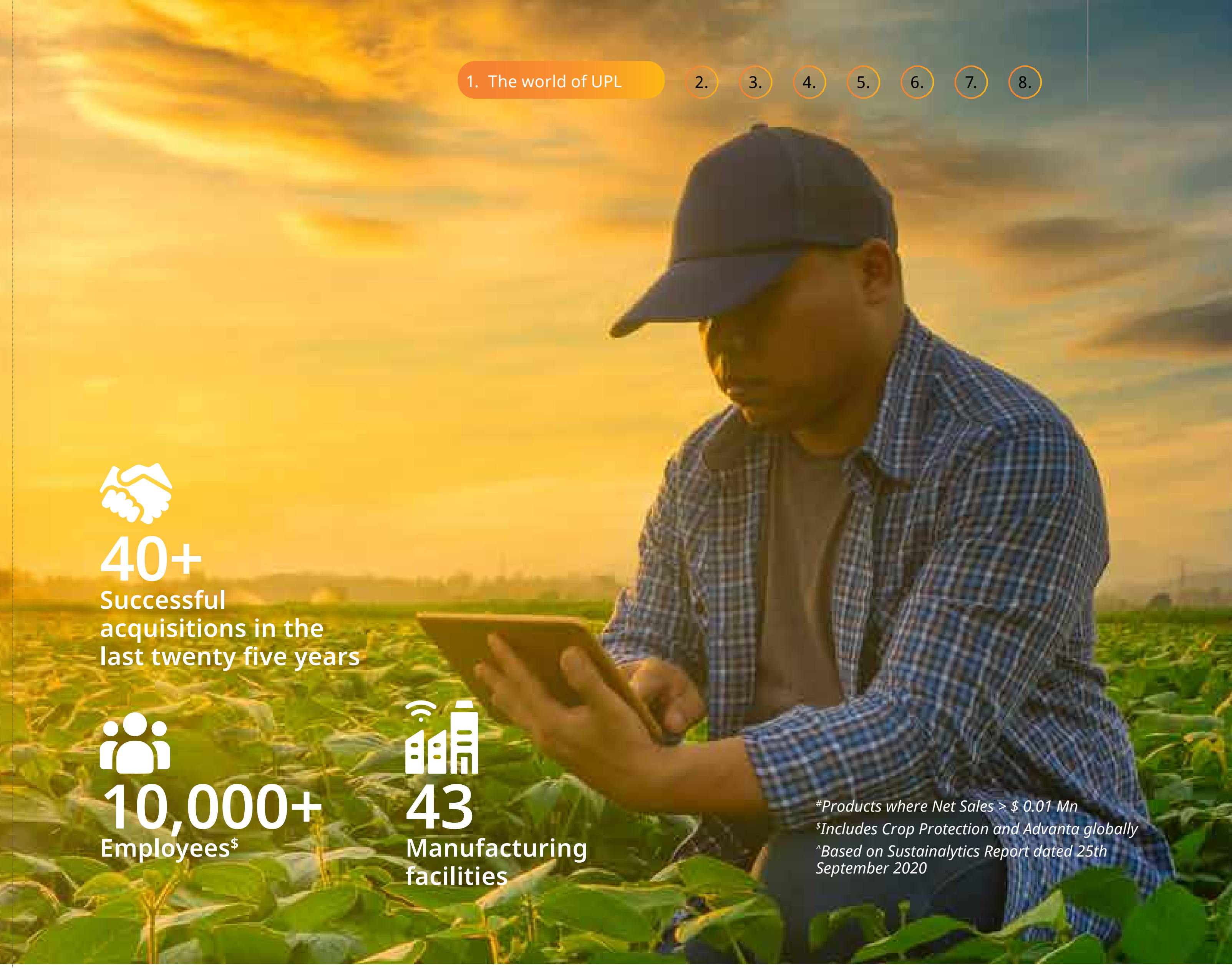
13,932
Registrations as on March 31, 2021

138+
Country presence across 6 continents

80%+
Share of revenue from branded products

1,421
Patents granted

1,400
Product formulation[#]



40+
Successful acquisitions in the last twenty five years

10,000+
Employees[$]

43
Manufacturing facilities

#Products where Net Sales > $ 0.01 Mn
$Includes Crop Protection and Advanta globally
^Based on Sustainalytics Report dated 25th September 2020

Financial

Despite the global headwinds emanating from the pandemic-induced disruptions, we delivered a strong performance across parameters, which demonstrates the resilience of our business model.

₹38,694 crore
Revenues
8% y-o-y
5 year CAGR: 21%

₹36.42
Earnings per share
57% y-o-y

₹8,559 crore
EBITDA[1]
15% y-o-y
5 year CAGR: 26%

₹882 crore
Cumulative cost synergy achieved as on March 31, 2021

₹3,692 crore
Profit after Tax[2]
32% y-o-y,
5 year CAGR: 26%

₹3,140 crore
Net Debt Reduction in FY 2021

Social

We continue to support communities, increasingly in a pandemic scenario and help them achieve holistic transformation.

₹100 crore
CSR spend[*]

1mn
CSR beneficiaries

Environment

We are optimising resource consumption and adopting green energy at our manufacturing operations. We are providing sustainable agriculture solutions and also facilitating sustainable farming practices. These helps lower the carbon footprint leading to better environmental performance.

19%
Electric Power from renewable Sources at our two largest manufacturing plants in FY 2020-21

29%
Revenues from differentiated and sustainable products, FY 2021

5 mn acres
Mechanised spraying in India, as on March 31, 2021

60%
Zero Liquid Discharge Manufacturing Plants, as on March 31, 2021

50,000 m3
Rainwater harvested and reused, annually

11,000
Villages across 3 lakh hectares in India covered under ProNutiva program, as on March 31, 2021

**Including ₹75 crore contributed to PM CARES Fund*
[1]Consider FY 2020 EBITDA before adjustment of purchase price allocation on acquisition of Arysta. Increase based on reported numbers is 20%
[2]Profit before exceptional items and minority interest

OFFERINGS

Solution driven innovations

At UPL, our thoughtfully designed product and solutions portfolio addresses the evolving needs of our customers across the crop lifecycle while protecting and enhancing yield. The portfolio comprises Seeds, BioSolutions, crop protection chemicals and pre- and post-harvest solutions. Our innovation interventions revolve around identifying the pain points of the farmers and offering a comprehensive solution platform to them.

SOLUTIONS

- Seeds
- Crop protection
- Plant stress and stimulation
- Post-harvest solutions
- Aquatics
- Soil health and water technologies

Seeds

Our Advanta division provides innovative high-quality seeds to ensure sustainable crop production and profitability for the farmers. With the help of one biotech and research stations, we develop disease resistant and high-yielding seed varieties. Our key differentiators include superior germplasm combined with technology and bioscience credibility helping us achieve ace position across several crop seeds.

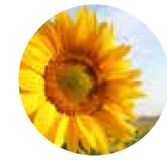
Key attributes

- High-quality oil
- High yield
- Disease and pest resistant
- Drought and salinity tolerance

Key crops


Sorghum (grains and forage)


Corn


Sunflower


Wheat


Soya


Oats


Canola


Rice


Vegetables


Pearl millets


Mustards


Alfalfa

Crop protection

We are among the foremost players of crop protection products with an aim to upgrade crop adaptability and ensure food security. We customise best-in-class formulation technology as per localised needs to offer products meeting our customer requirements. Our pervasive product portfolio addresses issues across the lifecycle of a crop. Our carefully created solutions are developed after identifying the key pain points of our farmers for a more effective outcome.

Key offerings

- Soil and Seed Health
- Fungicides
- Herbicides
- ProNutiva
- Insecticides and acaricides
- Adjuvants

Plant stress and stimulation

Our extensive Plant Stress & Stimulation (PSS) pipeline is starting a new era in sustainable agriculture as a key part of integrated crop production intensification programs. Our PSS portfolio supports crop stimulation, nutrition as well as protection and when combined with conventional products, improves crop resilience to weather risks and biotic stress for improved yield, quality and consequent grower financial wellbeing in a sustainable way. The portfolio is effectively designed to open potential at each of the five crop life cycle stages for sustainable and intensified production.

Key offerings

- **Growth Vitality Technology**
- **NUE/Fruit Set Technology**
- **Finishing Technology**
- **Anti-stress Technology**

Post-harvest solutions

At UPL we strive to reduce post-harvest losses through our differentiated products and solutions. Our innovative solutions are aimed at reducing crop wastage and enhancing income of our farmers.

Key offerings

- **Grain storage**
- **Fruit storage**
- **Potato storage**
- **Research and developments**
- **Innovation**

Soil health and water technologies

UPL Zeba™ is a patented, granular, free flowing technology in of soil conditioner / amendment, intended for in-furrow application. It enables growers to directly increase the efficiency of water usage along with soil solution nutrition, for the benefit of plants, soil and the environment. Being degradable, Zeba leaves no residues across a wide range of applications.

Aquatics

Invasive aquatic plants and algae present a challenge to all water users, as well as resource managers. At UPL, we are committed to protecting our waterbodies; including lakes, ponds, reservoirs, streams, rivers and canals against their impacts. The product portfolio comprises solutions for aquatic plant and algae management. We have developed digital tools (UPL Aquatics app and Cascade-Teton) to help find our customers the right aquatic solutions.

SOLUTIONS

pronutiva®
Crop Protection + BioSolutions

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. The integration of biosolutions with conventional plant protection products answers the latest challenges in agriculture by:

- **Supporting sustainable agricultural practices**
- **Improving grower economics**
- **Meeting evolving food chain requirements**

Farmer engagement and services

The field of agriculture is rapidly evolving. Staying updated with the latest advancements is a challenge especially for the far flung or marginal farmers. UPL addresses this challenge by working on a local level continuously and ensuring that the latest in farming practices is easily accessible to them at appropriate times which includes mechanised spraying, soil testing, crop advisory, among others.

GLOBAL REACH

Deepening reach across markets

We provide complete agri-solutions across different geographies. We are focusing on the product chain for the farmers at all stages, from seeds to post-crop care, leading to a wider reach and range compared to our global peers. Through OpenAg, we address specific needs of the farmers in different parts of the world, thereby increasing the total addressable market.

North America

193 Products **1** Plant

Latin America

550 Products **9** Plants

Europe

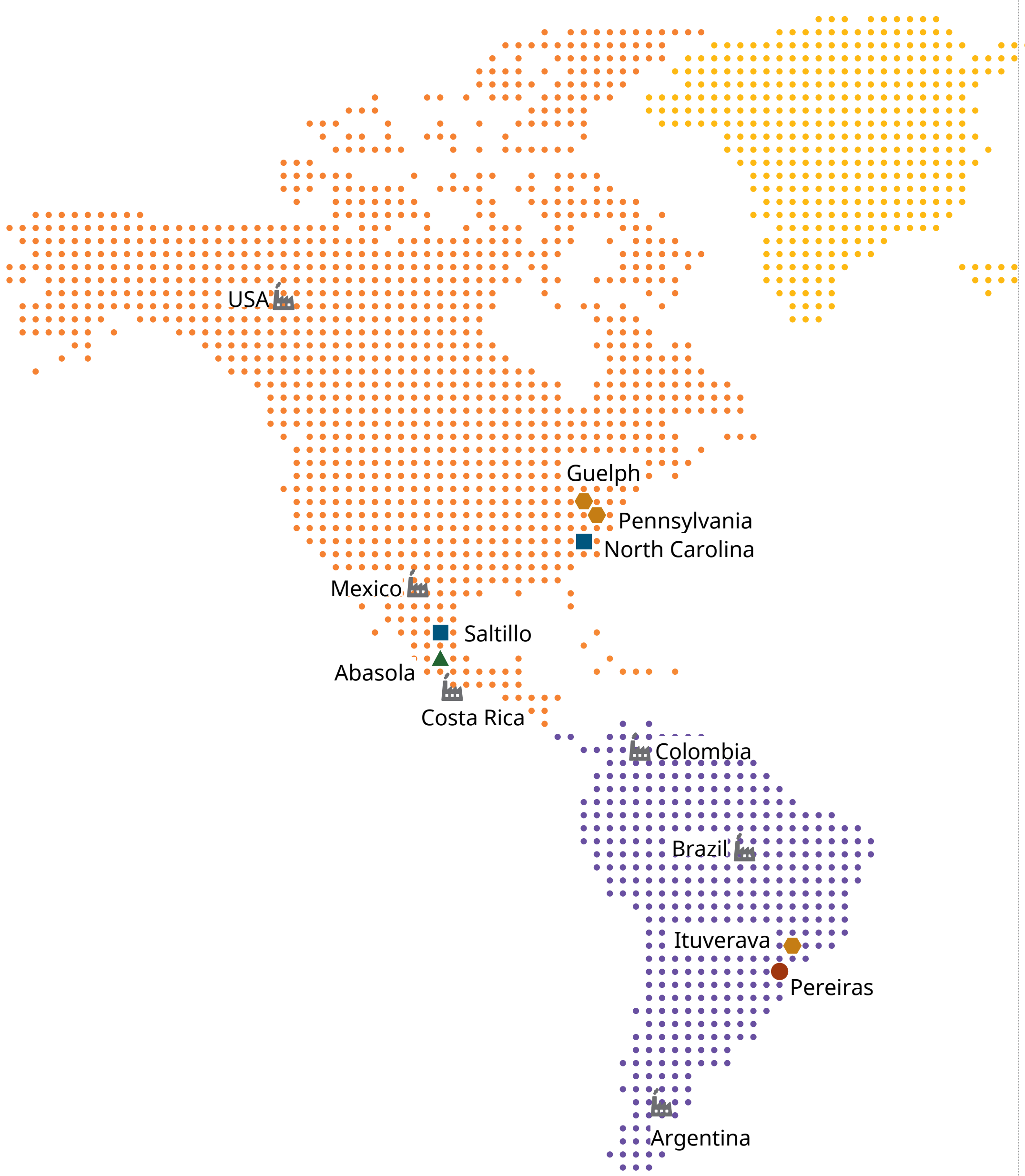
498 Products **10** Plants

ROW

876 Products **8** Plants

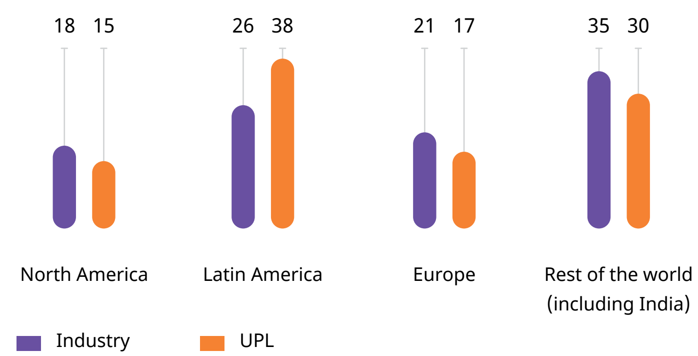
India

178 Products **15** Plants



Products where Net Sales > $ 0.01 Mn

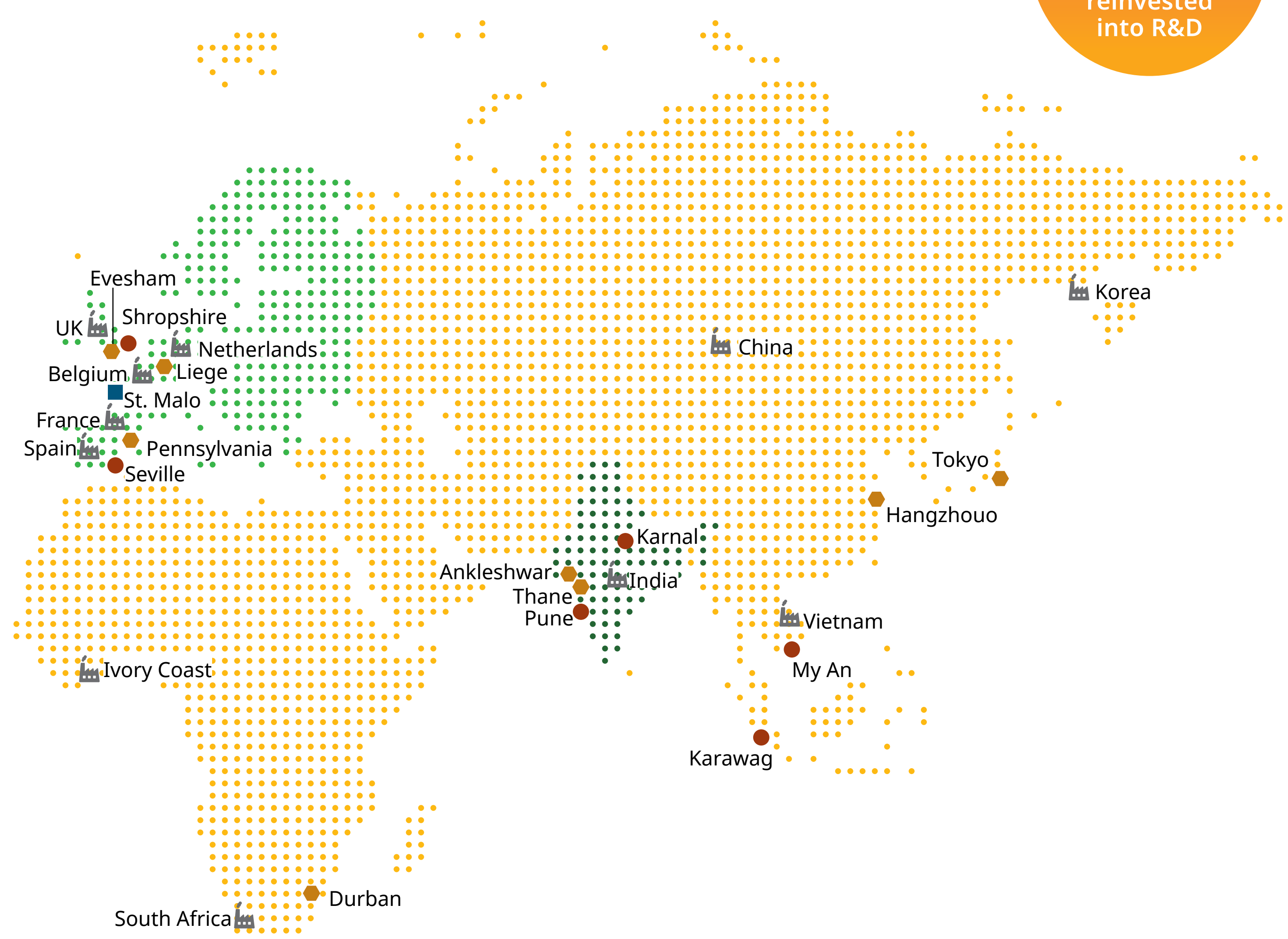
Sales mix by region (%)



750+ R&D Professionals

20+ R&D Facilities

>2.5% Annual revenue reinvested into R&D



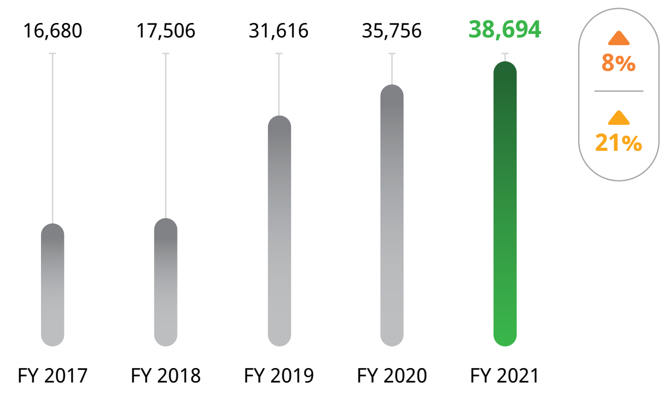
Field station
Future field station
Manufacturing Facility
NewAg tech
Chemistry

KEY PERFORMANCE INDICATORS

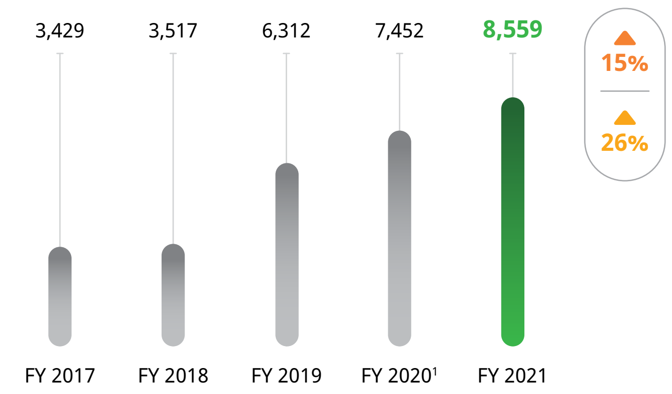
Setting benchmarks

Profit and Loss

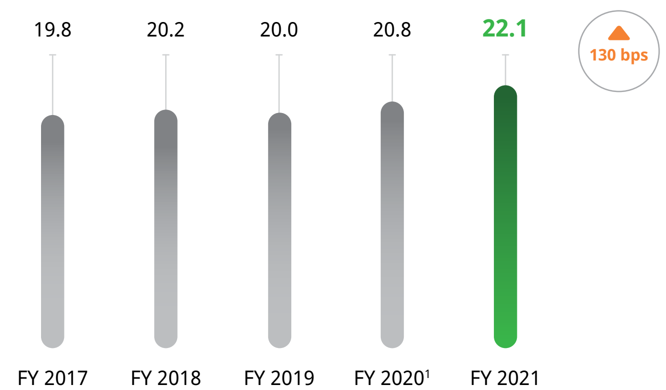
REVENUES (₹crore)



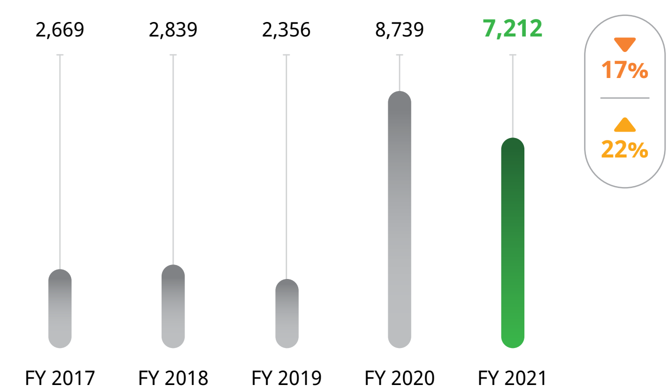
EBITDA (₹crore)



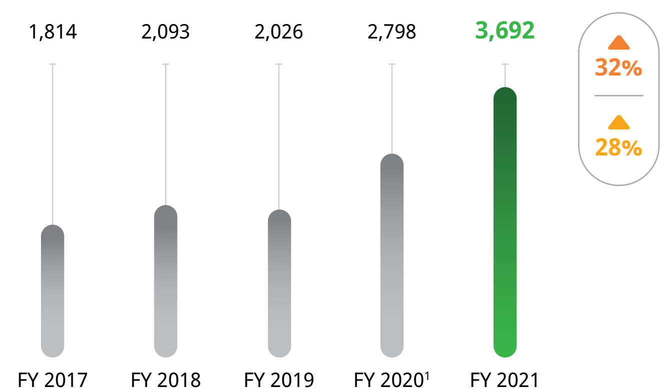
EBITDA MARGIN (%)



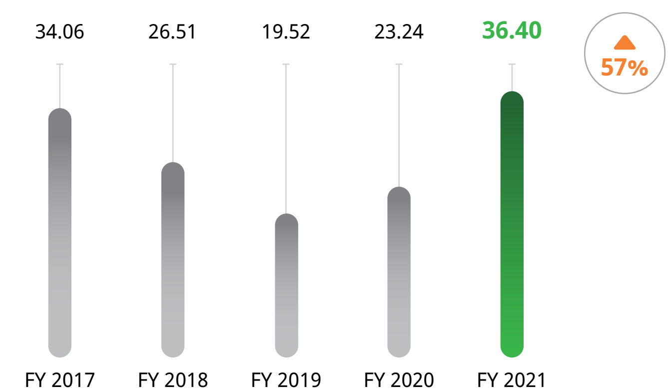
CASH FROM OPERATIONS (₹crore)



PROFIT AFTER TAX[2] (₹crore)

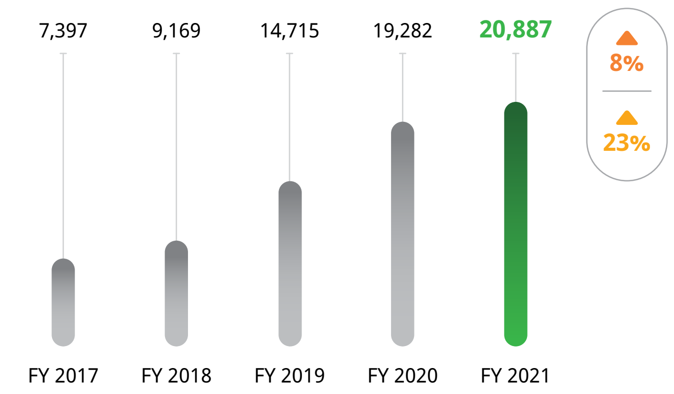


EPS (₹)

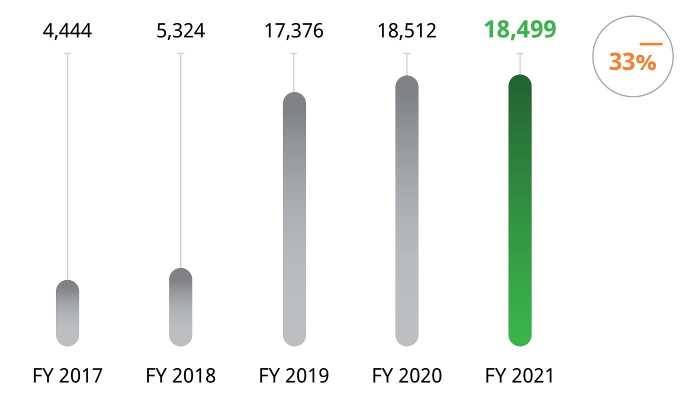


Balance Sheet

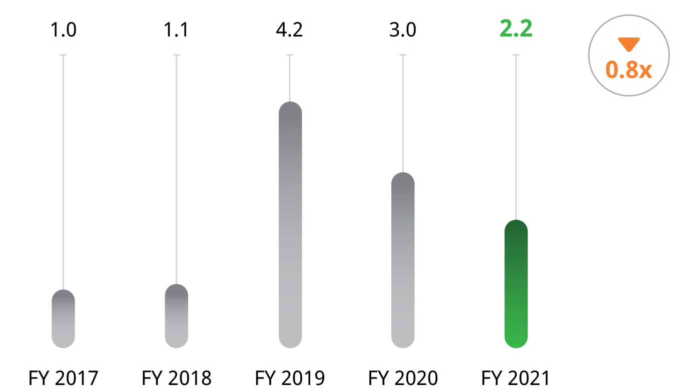
NET WORTH (₹crore)



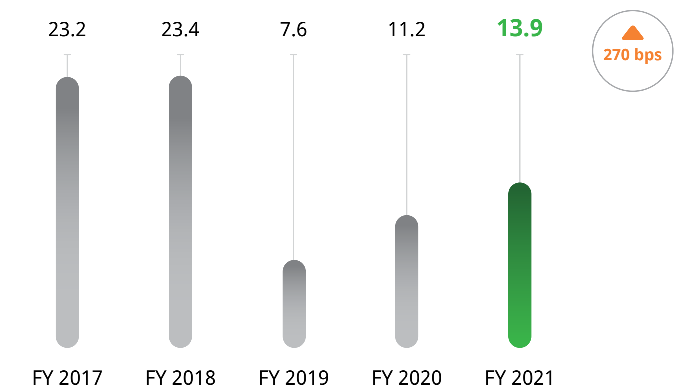
FIXED ASSETS (₹crore)



NET DEBT TO EBITDA (X)



RETURN ON CAPITAL EMPLOYED (%)

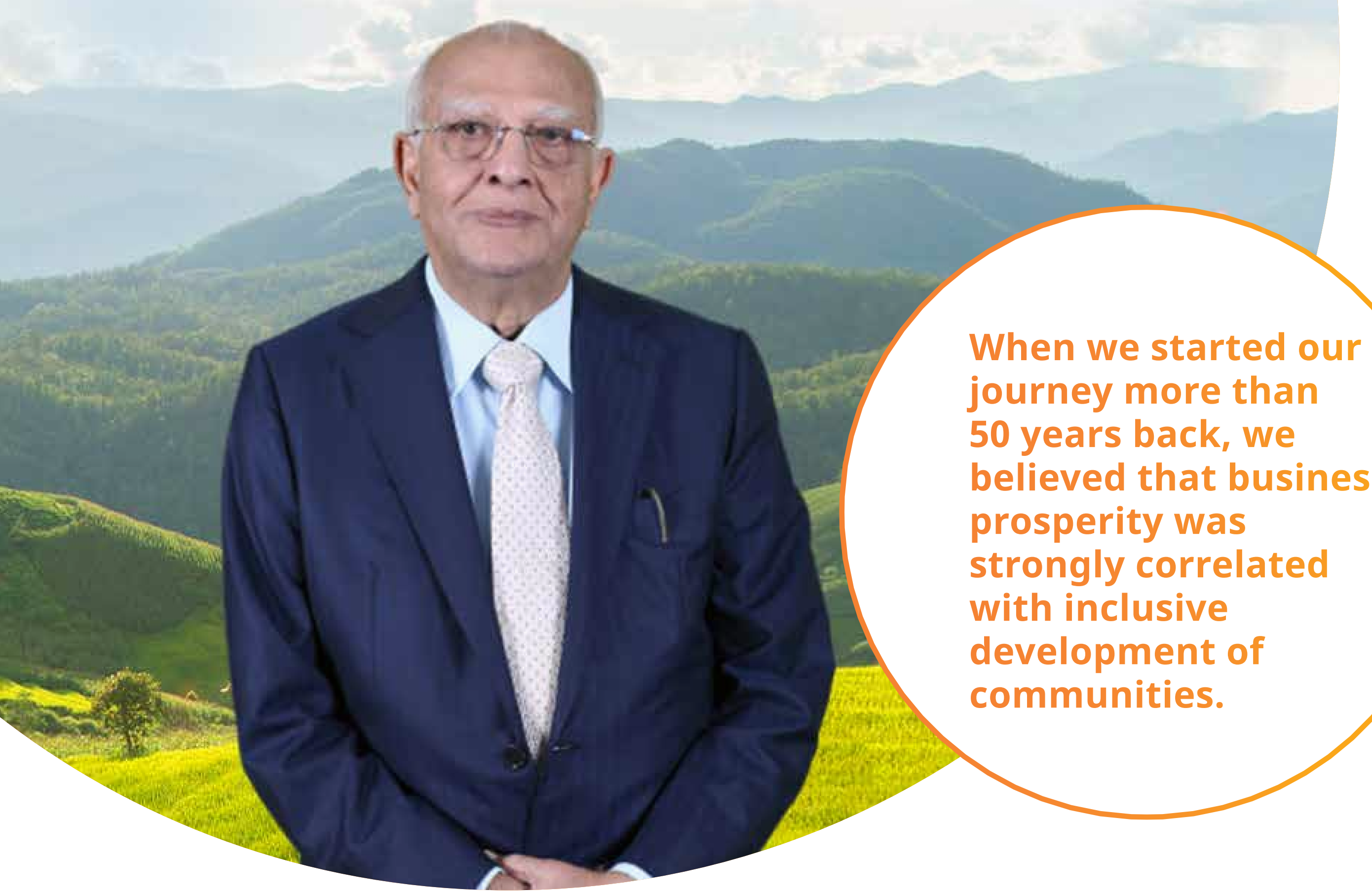


Y-O-Y growth 5-year CAGR

[1]EBITDA and EBITDA Margin for FY 2020 before adjustment of purchase price allocation impact of Arysta acquisition.
[2]Profit before exceptional items and minority interest

CHAIRMAN'S MESSAGE

In pursuit of sustainability beyond limits



When we started our journey more than 50 years back, we believed that business prosperity was strongly correlated with inclusive development of communities.

Dear Shareholders,

The year gone by will go down in living memory as an extraordinary one, with the world being driven apart by the onset of the pandemic. It was also a year when the faith in our collective ability to stave off such a crisis that has few parallels in history, was vigorously reinforced – beyond borders, beyond limits.

On behalf of the UPL family, I take this opportunity to express our solidarity with the frontline workers for their commitment and dedication towards ensuring the well-being of all. In such an eventful year, being conferred with the Padma Bhushan, one of India's highest civilian awards, was indeed a moment of pride and a testament to the hard work and determination of everyone at UPL to build a more sustainable world.

Since inception, UPL has ventured into areas where others feared to tread. It would not have been possible without the strong research and innovation capabilities that we have built over the years. This has been backed by our strong resolve to deliver products and solutions to farmers globally which help protect their produce, ensure income and enhance the sustainability of the global food supply chain. In the process, we have built a resilient business model that has the strength to win against all odds, reflected in our industry-leading performance across growth and profitability parameters.

Weathering the storm

The pandemic created widespread disruptions across the globe, adversely impacting global trade and supply chain. Being an 'essential' products and solutions provider, we kept all our plants operational across the globe. With our deep backward integration created over the past years, we navigated the supply chain challenges with relative ease as a large part of our raw materials are manufactured in-house. That said, the health and well-being of our employees remained a top priority, and all our plants were operated under stringent Covid-safe protocols and guidelines.

Contributing to the community

When we started our journey more than 50 years back, we believed that business prosperity was strongly correlated with inclusive development of communities. This belief was further reinforced by the onset of the global pandemic. We reached out to the communities in distress through various focused interventions across the globe. When the nation faced a shortage of medical grade liquid oxygen during the much more intense second wave, we converted our nitrogen plants to produce medical grade oxygen and installed oxygen plants at eight hospitals in India.

World at an inflection point

The need to feed the world sustainably has never been more pronounced. Leaders across the globe are looking for sustainable solutions that rejuvenate the existing agricultural ecosystem plagued with the challenges of a burgeoning population, depleting arable land, and above all, climate change. Agriculture globally is in dire need of transformation, and today's painfully slow rate of technology innovation and on-farm deployment are hindering development. There has been an increasing adverse impact of climate change on the agriculture sector. Soil conditions across the world is deteriorating rapidly and several regions are facing acute water shortage.

In this emerging world order, UPL is reimagining sustainability, driven by our relentless pursuit of goals that are often deemed impossible to achieve by most. Over the past few years, we have invested in transforming ourselves from an agrochemical company to a provider of holistic and long-term solutions for the entire food value chain. With our global network of R&D centres, we are deploying country-specific strategies to lower wastage of produce, raise farm productivity and profitability, and reduce the negative impact of agriculture on the environment.

Our ability to delve deeper into issues and understand farmer needs is enabling us to find solutions that are relevant for tomorrow and beyond.

In this emerging world order, UPL is reimagining sustainability, driven by our relentless pursuit of goals that are often deemed impossible to achieve by most.

Our OpenAg network is creating partnerships and innovative collaborations beyond borders and limits to transform agriculture. Our ability to delve deeper into issues and understand farmer needs is enabling us to find solutions that are relevant for tomorrow and beyond.

Well prepared, well positioned

We are proud of the UPL we have built. That spirit remains unchanged as we look into the future with renewed hope and optimism. With our strong knowledge in chemistry, presence across the value chain, multi-country and multi-crop presence, we are positioned attractively to continue outperforming our peers and add value to each stakeholder in the agricultural value chain.

Our Jhagadia plant witnessed an incident of fire last fiscal, leading to an unfortunate loss of invaluable human lives. This should not have had happened. We have diligently investigated the root cause and implemented measures to safeguard our people from any such incidents in the future, across locations.

To conclude, I express by my sincerest appreciation to our people for their active contribution in taking UPL to where it is today. Without their constant support, this journey would have been difficult. Together we will continue to make UPL stronger.

R.D. Shroff

Chairman and Managing Director

GLOBAL CEO'S MESSAGE

Making every food product more sustainable

We are committed to make every food product more sustainable, and deliver sustainable outcomes in everything we do.

Dear Shareholders,

I hope that this finds you safe, healthy and in good spirit.

2020 was an incredibly difficult year for the world, and India was no exception. As the pandemic spread like wildfire and claimed a ghastly toll on human life and livelihoods, global economic activity contracted significantly. Just as there were visible signs of recovery, a fierce second wave put paid to hopes of an early return to pre-Covid level economic activity. That said, the situation is now improving steadily, and I hope that we will soon see light at the end of this rather long tunnel. The accelerated pace of vaccinations across countries and better healthcare delivery is certainly helpful in containing the spread. In parallel, the large fiscal and monetary stimulus measures adopted by governments and central banks worldwide are acting as a countervailing force to economic decline and also spurring demand, consumption and industrial activity.

At UPL, we did well to gauge the severity and implications of this crisis at the outset – an unprecedented shock to global economies, healthcare systems, supply chain networks and end markets everywhere. Besides recalibrating our business strategy, and in line with our core value of being 'Always human', our COVID response team began work proactively from March 2020. We put as many resources as we had at our disposal to provide relief to our own people, partners, customers, communities and the larger stakeholder fraternity.

For us, this reimagining sustainability is based on three pillars - sharpening our focus on reducing our environment footprint, concerted efforts towards creating economic resilience for farmers and creating food security and safety of food value chain.

Through pioneering innovation, we successfully converted our captive nitrogen plants to produce oxygen to support the unprecedented demand from hospitals during the second wave and also shared the experience with 100+players to come forward for the cause. On the business front, we delivered a strong operational and financial performance, despite overwhelming headwinds.

Performing with resolute focus

I am pleased to report that a focused approach, a robust business model, and a solid execution discipline saw us deliver an industry-leading performance, not just in revenue terms but also across EBITDA and PAT. The cross-border restrictions during the year created supply chain disruptions globally. At UPL, we were able to restrict its impact to a great degree owing to our deep backward integration and strategically located manufacturing facilities across the world.

Our revenues grew by 8% from ₹ 35,756 crore in FY 2020 to ₹ 38,694 crore in FY 2021. In the same period, EBITDA grew by 15% from ₹ 7,452 crore to ₹ 8,559 crore and Profit after Tax strengthened by 32% from ₹ 2,798 crore to ₹ 3,692 crore. This growth and margins are more satisfying because they were achieved in an environment that had the added challenges of high inflation and currency fluctuations that adversely impacted us. We have been able to strengthen our EBITDA margin by 130 bps, a reflection of our growing contribution from value-added products and cost synergies arising out of the Arysta acquisition. We are also focused on being cost-competitive as a core value and are global cost leaders. While our industry reported a CAGR of 3% in the last five years, we, on the other hand, reported 21% CAGR in revenues and 26% CAGR in EBITDA.

With better operational performance, we were also able to strengthen our balance sheet, by reducing net debt by ₹ 3,140 crore. This validates our commitment towards maintaining an investment grade credit rating and creating long-term value for our stakeholders.

₹ 3,140 cr

Reduction in net debt in FY 2021

Reimagining sustainability

Our purpose of OpenAg is centred around reimagining sustainable agriculture. This reimagination is based on three pillars – sharpening our focus on reducing our environmental footprint, concerted efforts towards creating economic resilience for farmers and ensuring food security and safety of the food value chain. Every project and investment of ours is directed towards these.

Agricultural activity is adversely impacted by climate change, and farmers are vulnerable to significant risks. However, transformative practices in agriculture can reduce carbon emissions and mitigate the impact of global warming. We are uniquely placed with our technology platform, wide portfolio of differentiated and biosolutions products, and our diverse and expansive product pipeline. We are thus attractively positioned to make a big difference to put the world in balance. We are working with farmers across crop segments and offering them solutions integrated with technology to make them more sustainable. We are no longer a chemicals company, but a crop focused solutions company that leverages access, technology and knowhow to increase farmer incomes. We have already demonstrated solutions, which help in substantially reducing chemical consumption in agriculture. One such example is UPL's ProNutiva, which is an exclusive solution which integrates BioSolutions with conventional crop protection products to substantially reduce the use of inputs, enable the crops to grow better, and increase their climate resilience. These efforts are driven by our best-in-class research and development efforts, that further our reimagining sustainability agenda.

New ideas, new ways, new answers

Our OpenAg innovation model is driven through our Open Skies strategies globally. This strategy is designed to develop a platform of solutions to address key farmers pain points, often reinventing or creating new segments. This proven model enables UPL to launch solutions with more agility, to reduce innovation costs, lower risk and with faster go-to-market and breakevens. With an open approach to collaboration, we have access to a broad set of technologies including Artificial Intelligence to address existing and emerging issues of farmers.

Our pillars to become smart farming partner

With an open network to create sustainable growth for all - no limits, no borders.

OpenAg Digital and Services

We help farmers be more resilient by making agriculture simpler, more predictable and sustainable

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OpenAg Innovation

Through agility, creativity and collaboration, we are committed to solving pain points that drive sustainable agriculture and farmer resiliency.

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OpenSkies Strategies

Strategies are created through a customer-centric approach, with the identification of major farmer pain points in key crops

OpenAg Collaboration

We connect and collaborate in new ways to resolve challenges and create new opportunities together

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Open collaboration

At UPL, we connect and collaborate with partners in diverse and novel ways to resolve challenges and create new opportunities together. We believe that Open Collaboration enriches the global agricultural network by connecting people and creating infinite and relevant opportunities for all. Our sustainable collaboration help bring positive change in the lives of farmers, consumers and society.

Our collaboration with FMC provides us access to commercialise Chlorantraniliprole (CTPR) insecticide in key markets prior to patent expiration. This will help us develop a new family of value-added solutions to growers, with 17 formulations in the pipeline. On the other hand, our deal with Meiji will give us access to Flupyrimin. It was discovered by Meiji and is a patented insecticide. With these agreements, UPL will now have a complete portfolio for rice in Asia and India, while also strengthening our Crop Establishment offering and help us generate substantial revenue from differentiated and sustainable solutions.

Equipped to contribute to United Nations Sustainable Development Goals

At UPL, our continuous endeavour is towards creating a strategy that ensures resilience to current and potential impact of not just our operations but agriculture as a whole to the our environmental. We are working relentlessly to reduce environment footprint while offering innovative solutions that aid in global food security.

We are gradually increasing our solutions portfolio that supports sustainable agriculture. We have already emerged as the largest BioSolutions player in the world and carved out a separate business segment, NPP, for focused growth.

Our dedicated Green Cell comprising scientists and technocrats is working in the areas of emission control, liquid and solid waste management to reduce the impact of our operations and products on the environment. During the year, the Cell has embarked on critical liquid waste treatment and filed a number of patents on the subject.

We are gradually increasing our solutions portfolio that supports sustainable agriculture. We have already emerged as the largest BioSolutions player in the world and carved out a separate business segment, Natural Plant Protection (NPP), for focused growth. Our products like Zeba, ProNutiva programs and initiatives such as mechanised spraying and carbon sequestration program are driving sustainability in agriculture. Our initiative around avoidance of stubble burning in Punjab and Haryana are reinforcing our position towards sustainable farming, and not creating additional carbon load.

To reinforce our sustainability commitments, we have committed our support to the UNGC initiative and believe that the participation will play a critical role in achieving

the Sustainable Development Goals. The partnership further aligns to our OpenAg™ purpose as we aim to generate a deeper impact on society by creating sustainable growth for all. UPL has also committed to science-based targets that are designed to work towards keeping global temperature increase below 2 degree celsius.

Further, our commitment towards creating an agriculture network that feeds sustainable growth for all has helped us in being ranked #1 in the agrochemicals sector globally by Sustainalytics. With the overall ESG risk score, we have not only outperformed our peer group, but also raised the bar for the industry. Similarly, we were also included in the DJSI Yearbook, notably the only company from our sector. This is one of the ways in which we will achieve our mission to change the game and make every single food product more sustainable.

#1

AgChem company in ESG by Sustainalytics

Delivering sustainable outcomes

Our farmers are facing mounting challenges and sustainability may not be top-of-mind priority for them, as they work towards ending the year with a profit. Sustainability for a farmer becomes attractive only when it reduces their risks, costs and helps secure and strengthen profitability. At UPL, we are focussed on developing technologies that are aimed at protecting farmer incomes, while reducing the environment impact of farming and making the food supply more sustainable, as part of our reimagining sustainability vision, and creating a win-win for all participants.

In the aftermath of the pandemic, more than ever, efficient and effective food supply chains are essential to lowering the risks of food insecurity, malnutrition and price fluctuations. It is also important for agriculture and its ancillary businesses to create jobs. We believe that agri-commodity prices will remain strong in the near future which will encourage farmers to invest in advanced and green technologies to improve their yield. We are continuously expanding and tying up manufacturing capabilities to meet the demand, as the high-commodity price environment is likely to last a few years. Our technology integrated solutions are aimed at protecting the food supply ecosystem and help us strengthen our market presence and share, going forward. This is across our key markets of Latin America, which was fast growing and Asia and Africa, which we believe will grow rapidly over the next decade.

We are focused on driving sustainable agriculture and achieve transformational growth through innovative technology. We will continue to tap new growth engines, and markets to continue our growth journey.

I take this opportunity thank the 10,000+UPL members across the globe. Their determination and dedication on the face of an unknown adversary was unmatched and helped us emerge stronger. We are confident that we will continue to create new performance benchmarks together in the coming years. I also thank all our stakeholders across the world and partners without whose support our journey would not be complete or successful.

Once again, I wish you the best of health and happiness.

Warmly,

Jai Shroff

Global Chief Executive Officer

GLOBAL COO'S MESSAGE

Ensuring a sustainable tomorrow

We have built a strong business model for UPL, helping us outperform. Consistently.

Dear Shareholders,

I am delighted to be writing to you in my first communication as COO. It is a privilege to be part of the leadership team of such a vibrant and meaningful enterprise, and I am looking forward to working together with our team and all of you to build a more sustainable future. I thank my predecessor Diego for his invaluable contribution to UPL's growth in the past few years.

We have built a strong business model for UPL, helping us outperform. Consistently.

Even as the pandemic caused global social and economic disruptions, our presence in an 'essentials' category helped us manage continuous operations, despite restricted mobility and other challenges to business as usual. Global cost leadership, backward integration and synergies post Arysta acquisition helped our business address supply-side challenges as well as meet farmer needs.

Good performance across regions

This resulted in 8% revenue and 15% EBITDA growth despite an overwhelmingly tepid scenario. We have also been steadily lowering debt, further strengthening our balance sheet validated by our investment grade rating from global agencies. And, barring a few, we have been able to maintain our growth momentum in the majority of our markets.

We were able to gain market share in most of our markets in Latin America and emerged as the largest player in the BioSolutions space, quite different from our earlier avatar of being a chemicals company. Most Latin American countries reported nearly double-digit growth, and on a cumulative basis, we grew revenues in this region by 8%, from ₹ 13,764 crore in FY 2020 to ₹ 14,863 crore in FY 2021.

We were able to gain market share in most of our markets in Latin America and emerged as the largest player in the BioSolutions space, quite different from our earlier avatar of being a chemicals company.

The North American market remained subdued during the year owing to supply chain constraints and open orders. Revenues remained largely flat at ₹ 5,691 crore.

The European market saw strong traction for new products, outpacing the impact of the banned products. There has been an improvement in profitability, driven by accelerated sales of Differentiated & Sustainable Solutions. FY 2021 saw excellent performance of Argos® in its launch year, in addition to Fazor® in potatoes. Among the markets, we witnessed strong growth in Benelux, Germany, Poland, Italy and Iberia while the France revenues were impacted owing to a declining market.

FY 2021 witnessed favourable monsoon resulting in higher acreages and growth of Sustainable Solutions in India. Besides, the new launches helped us in creating a more comprehensive portfolio that allowed us to improve customer stickiness. As a result, we witnessed 22% y-o-y growth in revenue from to ₹ 4,677 crore.

The Rest of the World market segment was driven by a double-digit growth in South East Asia. China also witnessed accelerated growth, driven by volume gains in branded sales and the Yoloo acquisition. The African markets remained flat owing to Covid-19 induced challenges. The segment reported 3% y-o-y growth in to ₹ 7,042 crore.

We raised $500 million through a sustainability linked loan – the first-of-its-kind by a subsidiary of an Indian Company. The proceeds from the sustainability linked loan were used to repay the acquisition debt. This loan is based on our strong sustainability and ESG record and confidence in our ability to improve further and has resulted in a reduction of interest cost. We are now turning our focus on sustainability and ESG into a clear competitive advantage.

21%

Innovation rate in FY 2021

Reimagining sustainability with OpenAg

With our core purpose of OpenAg, we are reimagining sustainability in everything we do. Our overriding objective is to reduce farmers' costs, improve crop yield and quality, leading to sustainable solutions and safer food ecosystems.

Building on our inherent strengths

Over the next five years, we intend to increase the share of differentiated and sustainable solutions to half our revenue. This will be achieved on the back of the inherent strengths we have built over the years. Our Open Skies program enables us to reimagine sustainability and provide differentiated solutions to each of our 20 key markets. We first try to understand crop patterns, soil conditions and the key pain points of farmers, and then design targeted solutions, positioning us as a 'field-to-lab' company against the conventional 'lab-to-field' approach. The result is lower cost and higher probability of coming up with a successful innovation, which can be commercialised with speed.

Our Open Collaboration approach is helping us leverage technology and product collaboration with global players and accelerating our product pipeline. Our recent collaboration with FMC and Meiji for their two active ingredients will provide us new ways to resolve challenges and create new opportunities together.

Our R&D program is focussed on disease control, insect protection, pest resistance management, soil health and carbon sequestration. Our R&D spend will continue to grow with our revenues as we shift from generics to patented, sustainable products especially in developing bio-control and bio-stimulants; combining biosolutions with conventional chemicals and combining existing molecules, by leveraging early-stage technologies in some cases, to develop high-value products. We are increasingly using AI at our OpenAg research farm in Brazil to test visualisation and sensors. Through our partnerships, we are working on mainstreaming outcome-based solutions for farmers over the next few years to further increase our market reach. These initiatives will lead to an estimated US$ 2.5 billion of risk-adjusted revenues in the next 5 years with 15 molecules in the development pipeline.

One of our key differentiators is our extensive global manufacturing presence, which is backward integrated with the production of key raw materials, making us cost competitive, gain market share faster and achieve attractive, industry-leading margins. Our deep knowledge in chemistry is helping us reinvent the manufacturing process of existing molecules to enhance efficacy. Frugal manufacturing along with strong R&D prowess helped us reach a successful innovation rate of 21% in FY 2021. We intend to increase it to ~30% in the next 3-5 years with the objective of enhancing or reinventing our product line.

Transforming UPL to the next phase

From a crop protection to a food value chain company

Increased share of differentiated and sustainable products from 29% today to 50% by FY26

From a product driven approach to solution driven approach

30% innovation rate in next five years from 21% today

Leveraging collaboration to access new technology

Estimated risk-adjusted revenues of US$ 2.5 bn, in the next 5 years

Innovating for better farming at scale

As a next step towards reimagining sustainability, we have embarked on smart farming solutions as part of our digital services to provide real-time advice, alternative finance and an omnichannel sales platform with the intent of providing convenience and efficiency to farmers. We have expanded our ProNutiva offerings where we are combining crop protection chemicals with BioSolutions to offer sustainable farming with lesser environment footprint while ensuring higher yield.

One of the other breakthroughs from us is the Nurture platform where we are aiming to make agriculture profitable for farmers and environmentally sustainable today and in the future. We make multiple interventions with solutions spanning practices, products and services across the crop cycle. We combine sustainable, scientific, high-yield practices for growth, harvest, post-harvest and supply chain with centralised access to diverse, curated products, services and intelligence across input and output for sustainable farming at scale. (Details can be accessed at www.nurture.farm)

We combine sustainable, scientific, high-yield practices for growth, harvest, post-harvest and supply chain with centralised access to diverse, curated products, services and intelligence across input and output for sustainable farming at scale.

I am confident that our growth trajectory will continue to remain above-average, and our margins will consistently expand with increasing sales of Differentiated and sustainable solutions at the front end with cost synergies under the hood. We will also continue to reduce our debt, while investing in our operations and strategic acquisitions to maintain growth momentum. Stringent focus on fixed cost management will also be one of our key focus areas.

Making a difference collectively

We now stand at an important juncture where sustainable food supply is the critical need of the hour. With our differentiated products and solutions, we are now able to intervene across the food value chain and ensure protection while reducing the impact on the environment while conserving finite resources like water.

The potential for our business to create new value is incredible and our ambition going forward is to deliver industry-leading performance over the next few years.

This is supported by strong agri-commodity prices across the world. The prices of commodities such as soyabean, corn and cotton, among others has increased significantly and expected to remain robust in the foreseeable future. We therefore expect demand for our products to remain strong as farmers maximise value per hectare. We specifically expect bio-stimulant products, which deliver increased yield to the farmers, to outperform.

We have a fantastic and proactive team around the world, and I look forward to activating all this creative energy, as we work together to elevate OpenAg to the next level. I thank them for their resilience during these challenging times. However, I am deeply saddened by the loss of lives in a fire incident at the Jhagadia plant in Bharuch. Safety of our people is immensely important to us. We have conducted a thorough investigation of the incident and implemented new protocols to prevent recurrence.

Going forward, we will strengthen our efforts on all these areas and emerge as a truly human, truly global, and truly sustainable enterprise. I seek your continued cooperation.

Carlos Pellicer

Chief Operating Officer

COVID-19 RESPONSE

Our fight against world-wide emergency

The pandemic had far-reaching impact on business and societies across the world. It is our core value of Always Human and Agility that led us to respond to this emergency with speed and empathy. On one hand we enabled continued food supply by being an integral part of the food value chain, on the other hand we contributed to sanitisation, supplies and welfare efforts for the communities. Our initiatives were not just limited to India, we embarked on various initiatives across countries of our presence.

Business continuity

We have been categorised under essential segments of the economy. This helped us to continue our plant operations despite the lockdown. We converted some of our plants to manufacture hand sanitisers which were distributed to health authorities, medical professionals and other frontline workers.

Employee safety and care

As the pandemic loomed large, we immediately mobilised our employees to work from home, until further notice. The employees were kept updated on the latest developments and kept connected to foster the feeling of being 'One team. One focus'. We installed sanitisation facilities and temperature checks at factory gates. We have initiated vaccination drive for our employees and their family members.

People welfare and sanitisation

To counter the pandemic-related challenges, we collaborated with people, organisations and governments around the world. We supplied sanitising solutions, PPE kits, face masks and food packages to help the community navigate through the crisis.

5.3 million litres
Sodium Hypochlorite solutions for sanitising government offices, municipalities and villages

1.15 million litres
Sanitising solutions were sprayed through 200+ mechanised sprayers, covering 700+ villages in India

100+
Players mentored for conversion of nitrogen plants into medical oxygen plants

4
New oxygen plants for hospitals

4
Hospitals were made self-sufficient in oxygen by conversion of nitrogen plants into oxygen

15,000+
Migrant labours in India received food packages and ration kits

Pioneered innovation to save lives

The MaxPro team of UPL explored competencies within the organisation and came forward with an in-house solution for generation of medical grade oxygen.

The team converted four Nitrogen PSA plants to Oxygen and skid mounted them to the hospitals to help them achieve with oxygen self-sufficiency. In addition, we also installed direct oxygen plants to various hospitals covering about 1,000 beds.

We passed on the learning to 100+ industry players. This helped in ensuring steady supply of oxygen to ~3,500 beds across multiple hospitals.

72 hours
Time taken from ideation to execution to convert nitrogen plants into oxygen plants

Bringing farm services for sanitisation

Our community interventions come from our values of Always Human. We used our innovative farm-use sprayers for public deployment of sanitising public places and streets. We provided trained operators for sanitisation services.

REIMAGINING SUSTAINABILITY

A new era of Smart Farming

UPL has embarked on the ProNutiva program to enhance productivity and quality of crop for farmers by applying sustainable agronomy practices. The ProNutiva program is a solutions portfolio with a combination of conventional and BioSolution products and services. It includes products for crop establishment, crop protection and crop nutrients and services for weather forecasting, rain gauging, soil testing, farm mechanisation, crop advisory among others.

Joao Emilio Rocheto, Rocheto Group

G.A.P. certification for Rocheto Group

Rocheto Group accounts for about 35% of the Brazilian frozen pre-fried potatoes market. The Group partnered with UPL to achieve the GAP certification. The Group brought various changes in the areas of environment, employee safety and food safety to get the certification. One of the main objectives was to achieve 10% reduction in the use of agrochemicals. UPL helped Rocheto to analyse in detail all links of the potato value chain – from the farm to the consumer. UPL's ProNutiva program was essential to the success of the business plan.

ACHIEVEMENTS LEADING TO G.A.P. CERTIFICATION

- **Improvement of produce quality**
- **Employees training and engagement on usage of products**
- **Reduction of produce waste**
- **Reduction of chemical residues on the produce**

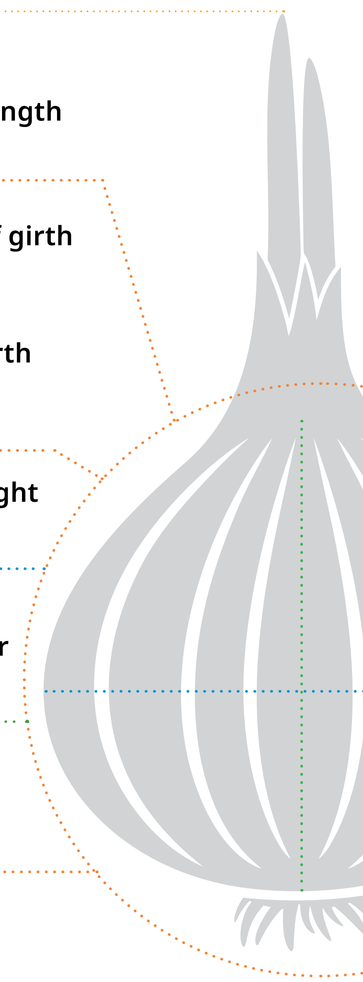
Global G.A.P. standards are committed to ensuring Good Agricultural Practices (GAP). It is the most widely accepted private sector food certification in the world.

Amar Kashit

Improving farmer income

Maharashtra is India's leading onion-producing state. UPL undertook the ProNutiva program with a farmer in the region to evaluate its effectiveness and assess crop health and yields as a part of the program.

ACHIEVEMENTS WITH ProNutiva PROGRAMME



~12% Increase in plant length

28% Increase in the leaf girth

13% Increase in bulb girth witnessed

~12% Growth in bulb weight

15% Increase in equatorial diameter

25% Increase in polar diameter of onion

13% Increase in weight of onion

Overall, it led to a 15% increase in farm yield.

REIMAGINING SUSTAINABILITY

Effective solutions through OpenAg innovation

We are putting significant emphasis on innovation to identify and resolve farmers' pain points and drive sustainable agriculture.

Sharpening our focus

Always an innovation-driven company, we are relentlessly stepping up our R&D capabilities and unveiling new frontiers of crop solutions. We are providing evolved chemistry-based crop solutions to farmers. Our 'field to lab' approach helps us gain deeper insights about on-ground challenges, basis which we build platforms of solutions.

Our consistent focus on R&D is validated by our growing investments over the years and are working towards adding to our capabilities and committing resources to drive efficiencies; one of our main near-term priorities is to increase our network of field research stations worldwide. We enjoy longstanding relationships with research institutes, R&D-focused companies and various governments. This helps build our repository of knowledge on improved agricultural practices and crop protection efforts.

>750
R&D professionals

>20
R&D facilities

>2.5%
Revenue invested in R&D

Recent investments

Launched a global R&D hub, the OpenAg Center, in Research Triangle Park, NC, USA

OpenAg Farm launched in Brazil in an area of 25,000 ha divided into 7 farms, partnering with multiple growers to optimise plant health and sustainability

Opened new field trial stations in Bujalmoro, Spain and Shray Hill, Shropshire, UK

Additional field trial stations planned in Mexico, Brazil and North America

OpenAg Farm

The OpenAg Farm aims to seamlessly connect our R&D to farming and experience farmer challenges. We launched a 25,000 hectare OpenAg farm in the state of Mato Grosso in Brazil. We partnered with various farmers and farming companies and through this collaboration, we identify challenges at the farm level and devise adequate solutions for sustainable agricultural practices.

25,000 ha
Size of OpenAg Farm in Brazil

Innovation rate

(%)

20.8	20.8	21.8
FY 2020	FY 2021	FY 2022 Est.

15

New molecules in development pipeline

80%

New Products Pipeline Peak Sales for Differentiated and Sustainable Products

Jarosław Pyta

Reducing storage disease using Plantivax

The conventional treatment for storage disease resulted in 7 active residue substances while the use of Plantivax resulted in elimination of 3 residual substances on the Red Jonaprince variety apple in Poland.

"I am pleasantly surprised by the effect of Plantivax, which has demonstrated an analogous protection of apples against storage diseases at the level of conventional protection. Thanks to that spraying program, I achieved a 50% reduction in crop protection product residues. In fruit samples with ProNutiva technology, after Plantivax, only 3 active substances were detected in laboratory tests, and in fruit samples after my standard program - as many as 6 active substances. The fruits were well-reserved and only received 1.9% as second-class fruits. This give me the confidence to try other solutions from UPL." - Jarosław Pyta - fruit grower from Franopol near Biała Rawska, 30 ha farm, 4 years in the ProNutiva program

Silvio Langreberto Maluta

Ernest Milla and his family

UPL contributes to the victory of national champions in the Maximum Soy Productivity Challenge in Brazil

In FY 2021, two of UPL's farmer partners emerged as winners of the CESB challenge for Maximum Soy productivity.

The national champion, with a farm based in Pinhão (PR), Ernest Milla, produced of 129.16 bags per hectare, surpassing by 9% the average reached in the previous edition. Of the UPL products, he used the fungicides Eminent Gold and Unizeb Gold, the herbicide Select and the insecticides Perito and Sperto, in addition to the physioactivators Foltron and K-fol.

"A result like this cannot be built without a partnership. I would like to thank UPL, which is always with us, providing products so that we can work more objectively and correctly", says Luiz Gabriel de Moraes Júnior, consultant on the farm.

Owned in Itapeva (SP), the national champion of irrigated soy – Silvio Langreberto Maluta – also had the benefits of Biozyme, a physioactivator for foliar and seed application, in addition to K-fol, and the insecticide Perito and the fungicide Unizeb Gold. It reached a total of 121.29 bags per hectare, which was 8% higher than what the previous year's winner achieved.

Consultant Robson Diogo Ribeiro dos Santos highlights the efficiency of UPL's soy portfolio. "With Biozyme and K-fol, we noticed a greater entanglement, a better floral set and plant development, in addition to a greater uniformity in grain filling."

CESB is a non-profit organisation that aims to contribute to the growth of productivity in the Soybean culture in Brazil.

REIMAGINING SUSTAINABILITY

OpenAg collaboration unveils new horizons of hope

The culture of collaboration is embedded in UPL and is one of the biggest drivers of our Open Ag strategy.

Partnering progress

Across all our areas of presence, we strive to collaborate with growers, innovators, distributors, food service providers, digital technology companies and academies, among others. These collaborations facilitate the creation of building blocks for a more sustainable future of food and agriculture.

Our key collaborations

FMC An Agricultural Sciences Company

We collaborated with FMC in March 2021 to gain early access to Chlorantraniliprole (CTPR).

Adds a core active ingredient to develop new family of value-added solutions to growers and have 17 formulation concepts in pipeline

Early access to commercialise Chlorantraniliprole (CTPR) insecticide in key markets prior to patent expiration

Responsibility to manufacture and supply Chlorantraniliprole to FMC in India

US$ 5 billion

Total addressable market

meiji

Flupyrimin, which was discovered by Meiji, is a patented insecticide with a new MOA subgroup.

The most recent license agreement provides us exclusive access to Flupyrimin formulations for foliar application on rice in several countries in Southeast Asia

Prior agreements provide us exclusive access for rice in India and for crop establishment applications globally

Enables us to have the complete portfolio for rice in Asia and India

Strengthening our crop establishment offering

US$ 2.5 billion

Total addressable market

TELESENSE Real-time Food Safety Monitoring

We collaborated with Telesense in January 2021 for their innovative post-harvest digital solution – scalable sensor on an artificial intelligence platform.

Monitors the temperature, humidity and carbon dioxide (CO_2) levels of stored grains

Provides data-driven insights on how grain is processed, stored and transported

OUTCOMES

Reduction of produce waste

Improvement of produce quality

Enhancing sustainability

SOIL HEALTH INSTITUTE

Soil Health Institute

We partnered with the Soil Health Institute in May 2021. Its mission is to safeguard and enhance the vitality in the productivity of soil through scientific research and advancement. Our two-year collaboration will help us develop the right solutions for farmers and enhance soil health.

REIMAGINING SUSTAINABILITY

Digitisation to revolutionise agriculture

We are increasing our digital interventions to make agriculture more simple, predictable, precise and sustainable for farmers across geographies.

Digitisation driving farming

Over the past several years, digitisation is quietly evolving agri practices, and enabling farmers to take pre-emptive measures in crop protection. We identified the emergence of this reality and are taking proactive steps to ensure that we can provide sustainable farming solutions.

Farm management

Digital solutions that provide the farmers with real-time agronomic advice such as efficiency irrigation, early pest detections, yield predictions and reducing the carbon footprint.

Commercialisation

Provide an omni-channel platform, which will empower the farmers to place input orders and sell their outputs online. Besides, it will enable them to reduce their costs significantly.

FinTech

This would enable us to leverage farmers' data to offer insurance or credit with better customised rates.

Business Intel

This intelligence service can be offered to farmers and distributors that help optimise their business such as CRM tools for distributors or access to sectors, trends and competitive information.

REIMAGINING SUSTAINABILITY

Consolidating biosolution offerings to help transform agriculture

UPL launched NPP (Natural Plant Protection) a new global division that will focus on UPL's comprehensive portfolio of natural and biologically derived agricultural inputs and technologies.

Focused approach

UPL is the world's largest manufacturer and distributor of biosolutions, with products and technologies derived from various natural sources such as botanicals, marine extracts, viruses, microbials or fermented extracts, whose environmental impact is almost negligible. UPL's newly carved division, NPP's extensive portfolio will continue to play a vital role in addressing abiotic stress soil health, residues, and resistance management in developed and developing markets alike.

NPP's global offering will benefit from our extensive global distribution footprint, with innovation, research and development capability supported by our unique, proven ability to bring innovative products to market quickly and on a global scale

The biosolutions is a fast-growing section within the agriculture industry and is set to double to ~US$10 billion by 2025.

The focus of NPP

Combining UPL's current BioSolutions portfolio under a common umbrella for enhanced focus

Growth through in-house development and external partnerships

Additional targeted investments

NPP will have the ability to cross-pollinate across regions to increase the speed and depth of its market penetration, add products and platforms to its portfolio, and create global partnerships and training programs, contributing to environmental conservation, farmer resilience, and improved food value chains worldwide.

~US$ 10 billion

BioSolutions market by 2025[1]

[1] *DT Biocontrol report*

OPERATING CONTEXT

Addressing the global challenge of feeding the world

Burgeoning population and the scarcity of natural resources and arable land are major risks facing the world. We require sustainable solutions and technologies to extract more out of the land with less use of water, energy, chemicals, leading to lower carbon footprint and food wastage.

The world needs sustainable agriculture

While there are significant food security challenges, getting healthy and nutritious diet is even more difficult for a large proportion of the world's population. More than 17 people die from hunger every minute, while 1 in 11 people globally suffer from food insecurity and 2-3 people in every 7 are malnourished. To add to this, the world will have 25% more people by 2050, increasing food demand by over 50% as compared with 2010.

Transformation of the entire food ecosystem is therefore required with the intervention of technology and high-end analytics.

Agriculture and climate change

Agriculture is a major consumer of the world's resources – more than 40% of the earth's terrestrial surface is used for agriculture, 70% of freshwater is used for irrigation. By adopting climate smart agriculture system, we can mitigate the effects caused by climate variability. This includes developing resilient varieties of crops which can withstand abrupt stresses of temperature and precipitation, implementing biotic and sustainable agricultural methods and use of innovative solutions including BioSolutions. This will result in reduced emission of GHG and decrease in levels of soil, water and air pollution.

500 GT

Carbon restoration potential of Agriculture

Agriculture and greenhouse gas emission

Agriculture is one of the key contributors to global greenhouse gas emission. Cumulative human emissions since 1750 is 675 GT of which 25% has been contributed by agriculture. Sustainable agriculture can transform agriculture land into carbon sink with a potential to restore 500 GT back into the soils.

21.9 Gg

Global CO2-C emission per minute

Water shortage impact on agriculture

It is expected around 1.2 billion people live in areas where severe water shortages and scarcity challenge agriculture, with very high drought frequency in rainfed cropland and pastureland areas or very high-water stress in irrigated areas. This implies that about one-out-of-six people on the planet faces severe water shortages or scarcity in agriculture, with about 15% of the rural population being at risk. It requires innovative technology to enhance agricultural output in water-stressed condition and conserve resources.

70%

Global freshwater is used for agriculture

UPL's response

UPL is reimagining sustainability by providing effective solutions to farmers to produce more from less.

- **Driving sustainable agriculture**
- **Achieving transformational growth through technology integration**
- **Accelerating the innovation engine to tap new growth markets and opportunities**
- **Providing end-to-end solutions for farmers**
- **Collaborating across food value chain**

Sustainable agriculture

- Less land usage
- Less water usage
- Less energy usage
- Less emission
- Less chemical usage
- Maintain healthy soil
- Manage nutrient pool
- Less pollution
- Promote biodiversity

Source: FAO; The Ohio State University, Carbon Management and Sequestration Centre Report

BUSINESS MODEL

Resource and relationships that support our growth

Resources we deploy

FINANCIAL CAPITAL
The financial inputs we deploy to effectively run our business. We ensure effective financial risk mitigation and optimise the cost of capital.

₹ 20,887 crore
Equity

₹ 18,922 crore
Net Debt

₹ 17,748 crore
Retained earnings

SOCIAL AND RELATIONSHIP CAPITAL
Our relationship with our key stakeholders in the business value chain and our communities are crucial for us to operate profitably and sustainably.

3,049
Supplier strength*

₹ 100 crore
CSR Spend[1]

~20
Trade body membership

MANUFACTURED CAPITAL
We efficiently utilise our manufacturing assets to maximise quality product output. Our manufacturing excellence revolves around quality, safety and reliability.

43
Manufacturing units

₹ 2,122 crore
Capex

HUMAN CAPITAL
The cumulative experience, expertise and knowledge of our employees are driving our business growth.

10,000+
Workforce strength[2]

14%
Women Workforce

INTELLECTUAL CAPITAL
Our proprietary knowledge and market insights are helping us develop innovative solutions and strengthen our market leadership in the global agri solutions and crop protection market.

20+
R&D facilities

13,932
Registrations

~2.5% of revenues
R&D spend

~750
R&D Professionals

1,421
Patents granted

NATURAL CAPITAL
Optimum usage of natural resources and waste reduction while minimising your environment footprint.

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

Strong anchors for value creation

OUR PILLARS

Vision
To Be An Icon For Technology Growth And Innovation.

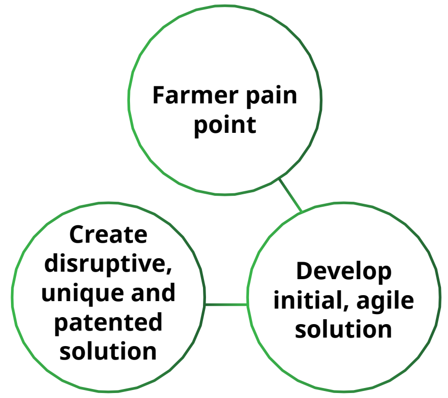
Mission
Change the game – to make every single food product more sustainable.

Values
- Nothing's impossible
- Always human
- One team, one focus
- Win win win
- Agile
- Keep it simple, make it fun

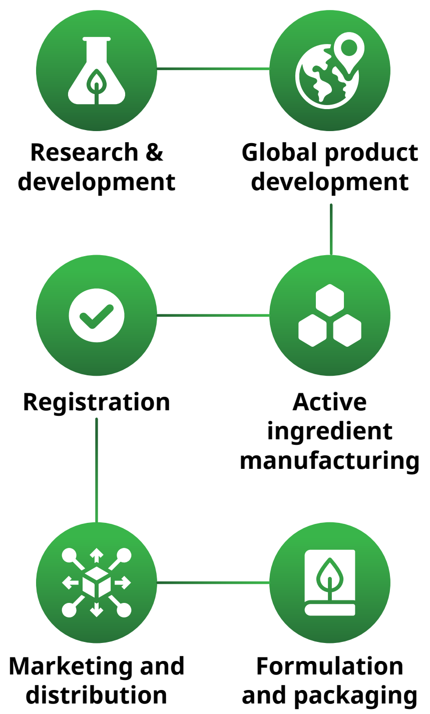
Purpose
OpenAg: An open network to create sustainable growth for all – no limits, no borders.

Ecosystem
- Input suppliers
- Distributors
- Farmers
- Food wholesellers/traders
- Food manufacturers
- Food retailers
- Consumers
- Industry association
- media
- Co-operatives
- Government
- Food Super Markets
- Agriculture solution distributors
- Non-government organisations
- Technology Providers

UPL's OpenAg innovation pull model



Core process competence



Outcomes FY 2021

FINANCIAL

8%
Growth y-o-y in revenues

15%
Growth y-o-y in EBITDA

₹10
Dividend per share

57%
Growth y-o-y in EPS

14%
Reduction y-o-y in net debt; maintained investment grade credit rating

PEOPLE
Higher people productivity

Better talent management and retention

LTIFR: 1.01

ENVIRONMENT
Reduction in water consumption, carbon emission and waste disposal across manufacturing operations

Growth and reduction numbers are compared y-o-y

**Total global suppliers count for raw material, packaging and traded goods for the crop protection business*
1 Includes ₹ 75 crore contributed to PM Care Fund for COVID relief facilities
2 Includes Crop Protection and Advanta globally

STRATEGIC PRIORITIES

Issues high on the radar

At UPL, our growth journey is driven by six strategic priorities, and we are making continuous progress around each of them to make the UPL of tomorrow stronger and better.

Human assets

We have always valued people as our core business assets and catalyst of sustainable growth. We align our teams with our purpose and provide them with an enabling work environment to drive market-leading growth.

IMPERATIVES

- Shape a culture of high ownership and performance
- High level of transparency in all systems and processes with emphasis on meritocracy
- Nurture diversity of people, ideas, technologies, partnerships and perspectives with no geographic limitations

KEY UPDATES

- Higher employee productivity
- Improved employee satisfaction
- Stronger talent management and retention
- Loss Time Injury (LTI): 46
- Loss Time Injury Frequency Rate (LTIFR): 1.01

Customer-centricity

Focusing on understanding and anticipating pain points to create customer-centric solutions for short term as well as long term.

IMPERATIVES

- Stay closer to customers to understand problems unique to each geography and using analytics and other data-driven methodologies to create appropriate solutions
- Leverage our strong repository of knowledge from across the world to provide unique and integrated solutions
- Use newer technologies and digitisation to make farmers resilient and enhance income
- Create long-term relationships that build brand respect and recall

KEY UPDATES

- Embarked on Project OpenSkies in 20 of UPL's key markets to deep dive into the agri-system and understand the pain points of farmers and design solutions to solve the problems

Smart R&D

Focus on creating unique solutions for growers, integrating technology. Through regulatory and strategic alliances, make these technologies available in the market.

IMPERATIVES

- Deploy a 'field to lab' approach that combines deep market insights to solve grower pain points, using proven and novel technologies to build platforms of solutions
- Utilise OpenAg Innovation to access new technologies, including biologicals and digital, with a strong focus on advancing sustainable agriculture
- Create best-in-class crop solutions with the right chemistry
- Maximise Return on Invested Capital

KEY UPDATES

- 103 new technology evaluations made during the year
- 78 collaborations with external partners

Operational and manufacturing excellence

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

IMPERATIVES

- Strengthen supplier relationships to sustain competitive advantage
- Leverage cost advantage through operational and manufacturing excellence, enhanced manufacturing capacity, improved product quality and optimised processes
- Strengthen logistic capabilities
- Leverage deep knowledge in chemistry for process innovation to reduce cost and enhance efficiency
- Leverage sales and operations, planning capabilities to ensure satisfaction and long-term relationship with customers,
- Institutionalise effective risk management with safety measures across all operations

KEY UPDATES

- 43 manufacturing facilities located globally
- Recognised for best-in-class manufacturing practices
- Reduction in environmental footprint through implementation of new sustainable manufacturing technologies
- 19% electric power from renewable sources at our two largest manufacturing plants
- 60% of manufacturing plants are zero liquid discharge

Collaborations and M&A

Game changing collaborations and mergers and acquisitions

IMPERATIVES

- Undertaking strategic acquisitions, with a clear value proposition, to grow in geographies, crops, segments and technologies
- Leveraging in-house proven integration capability to deliver acquisition goals and to maximise growth and synergies
- Strengthening existing relationship with alliances
- 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

KEY UPDATES

- One acquisition made in China; two acquisitions in Chile; one acquisition in Costa Rica to plug market gaps and expand portfolio
- Strategic product alliance with FMC for one AI and Meiji for another; expand product pipeline significantly
- Technology collaboration with Telesense Technology to monitor the temperature, humidity and carbon dioxide (CO_2) levels of stored grain
- Two-year knowledge-building collaboration with Soil Institute to help enhance our understanding of the soil, helping us develop the right solutions for farmers to enhance soil health

Prudent financial management

Ensure sustainable growth of the organisation by creating a stable financial foundation

IMPERATIVES

- Profitable and sustainable growth
- Positive cash flow and liquidity
- Continued deleveraging of balance sheet
- Maintain investment grade credit rating
- Robust risk management process
- Strong policies, processes and internal controls

KEY UPDATES

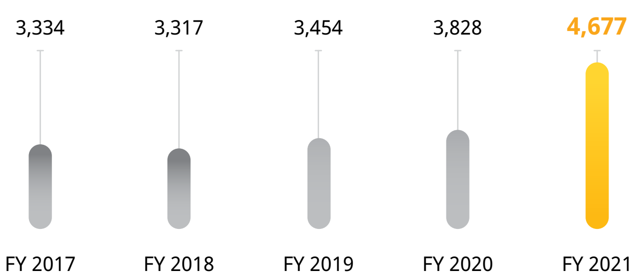
- Net working capital days at 71 as against 80 in FY 2020
- Net debt to EBITDA at 2.2 as against 3.0 in FY 2020
- ROCE at 13.9% as against 11.2% in FY 2020
- Maintained investment grade credit rating

REGION-WISE REVIEW

All-round performance

Revenue from region

(₹ in crore)



Core brands

Insecticides, Herbicides, Fungicides

Ulala®* | Panama® | Phoskill® | Lancer Gold®
Starthene® | Saathi® | Iris® | Patela® | Sweep Power®
Ferio® | Eros® | Saaf® | Avancer Glow® | Delma® | Cuprofix®

BioSolutions and others

Opteine® | Gainexa® | Macarena® | Copio®

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Highlights of FY 2021

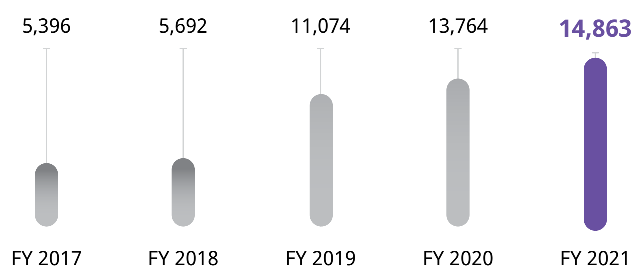
- Favourable overall weather conditions with normal monsoons resulted in an increase in planted areas for kharif as well as rabi crops, with both rice and wheat registering increases. However, cyclones across various parts delayed onset/ distribution of rains while floods in western and southern states in September and October resulted in damage to soybean and cotton crops
- FY 2021 began with strict lockdown due to COVID-19, but agriculture was classified as an essential activity. Record sales for the industry have been recorded in the first quarter as channels increased stocks of all available crop protection products, with an estimated growth of over 20% against the previous year, and approximately 10% growth for the industry for the full year.
- The year concluded with a strong growth for UPL, with continued volume expansion of Ferio®, Sweep Power®, and other glufosinate based products, along with accelerated growth of Sustainable Solutions and new product launches

Outlook

- The second wave of Covid-19 severely impacted India from the beginning of FY22. Unlike the first wave, the second wave impacted the rural areas as well. However, given the primary importance of agriculture in India as a direct source of livelihood for the majority of the population, government has been supportive and the activities expected to resume in full swing once the current wave subsides
- With monsoons forecasted to be normal for third consecutive year, acreages are expected to be buoyant for kharif as well as rabi crops. Furthermore, commodity prices across the spectrum are robust, and are likely to continue in near future
- UPL continues to be committed to improving farmers' income through our efforts to enhance productivity of key crops, and thereby create a wider base for UPL products and solutions, with a focus on differentiated and sustainable solutions.

Revenue from region

(₹ in crore)



Core brands

Insecticides, Herbicides, Fungicides
Perito® | Sperto® | Lancer® | ImidaGold® | Acramite®
Uniprid® | Select® | Glyphotal® | Lifeline® | Fascinate®
Strim® | Stam® | Dinamic® | Orion® | Unizeb Gold®
Unizeb® | Tridium® | Vondozeb®

BioSolutions and others
Biozyme® | Zeba® | Reon® | Vacciplant® | Kasumin®

Highlights of FY 2021

- UPL is among the top players in Mexico and Colombia; on trajectory to become a leading player in Chile
- Most Latin American countries have delivered close to double digit growth vs FY 2020
- Brazil growth ahead of market, despite currency devaluation and Covid-19 challenges
- Record production in two manufacturing plants in Brazil
- Diversified customer base with increase in share of wallet of key cooperatives and dealer platforms
- Widened product portfolio of products including BioSolutions in soy, corn, sugarcane, cotton, and Fruits &Vegetable segments
- Sucking Pest Platform (Sperto® and Perito®) and Soybean Resistance Management Platform (Unizeb® Gold, Tridium® and patented Unizeb®), grew significantly in Brazil and other Latin American countries

Outlook

- Continued depreciation of the Brazilian Real may prolong challenges for the region. However, at a broader market level, with commodities having reached record prices due to devaluation of Brazilian Real, coupled with robust global demand, growers are expected to invest further in expanding their land holdings and in increasing productivity. This trend is visible through increased investments in land acquisition and technology innovation. Consequently, the Gross Production Value of Agribusiness in Brazil is expected to grow by 12.4%, while the planted area is expected to grow by ~4% in 2021 (Source: MAPA (Ministério da Agricultura, Pecuária e Abastecimento, Carlos Cogo Market Intelligence, FAO 2020).
- The outlook for most other countries in Latin America is stable, and exports are expected to grow versus previous year, even though the third wave of pandemic is affecting some countries, and drought in Mexico is likely to adversely affect the business prospects there.
- In countries such as Brazil, we plan to further drive the development of sustainable solutions, including ESG and Carbon sequestration initiatives. We will accelerate investments on digital tools and e-commerce platform development, while expanding our offerings of differentiated and sustainable solutions to address key farmers' pain points.
- Furthermore, our acquisition and integration of Bioquim in Central America is expected to enhance our ability to serve our regional customers, and our portfolio acquisition from Agrospec in Chile will further strengthen our leadership position in the country. Further, we shall continue to make investments in field research facilities (e.g. in Mexico) to support our OpenAg Innovation platform, with key emphasis on driving BioSolutions innovation.

Europe

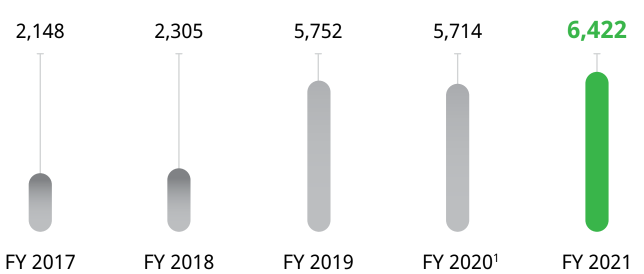
10
Manufacturing plants

12%
Revenue growth in FY 2021

17%
Contribution to total revenues

Revenue from region

(₹ in crore)



[1] *Regrouping of businesses on account of regional alignment done in FY 2020 revenues*

Core brands

Insecticides, Herbicides, Fungicides
Devrinol® | Metafol® | BeetUP® | Select® | Centurion® Pantox® | Pantera® | Minstrel® | Bettapham® Stam® | Novel® | Fist Gold® | Cuprofix® | Microthiol® Penncozeb® | Malvin® | Zoxis® | Syllit® | Thiopron® Vondozeb® | Cyperkill® | Acramite® | Floramite® | Ovipron®

BioSolutions and others
Carpovirusine® | Ostrinil® | Vacciplant® | Iodus® Plantivax® | Apetizer® | BM Start® | Multoleo® Vivaflor® | Zeal® | Vitalus® | Signal® | Langis® Rancona® | Vitavax® | Himalaya® | Fazor® | Alar® | Argos®

Highlights of FY 2021

- Europe Region was reorganised in FY 2021 into North and South Europe. The simplification of organisation structure (de-layering) was done for faster decision making with direct reporting for countries, synergies from regional re-organisation adding to full year impact gains from integration
- Overcame loss of key products in select markets (for example in France), through new products sales with strong growth delivered in the last quarter of FY 2021
- Excellent performance of Argos® in its first launch year, in addition to Fazor® in potatoes
- Improved mix, driven by accelerated sales of higher margin based differentiated and sustainable solutions
- Non-renewal of Mancozeb with phase out expected by end of Q1 of FY22
- Covid impact mainly in supply chain and logistics, product shortages and delivery delays
- Strong performance in Benelux, Germany, Poland, Italy and Iberia; successful entry in Portuguese market
- Brexit trade deal broadly positive with limited impact on sales

Outlook

- Expect supply chain stabilisation and robust volumes for biosolutions
- Commodity prices on a favourable trend and expected to have a positive impact on demand
- Regulatory pressure expected to continue across Europe
- Increased focus to shift revenue mix to higher margin driven sustainable solutions, strengthening market approach related to new products, along with increased focus on R&D and on the establishment of services and digital tools to better serve farmers in select markets

North America

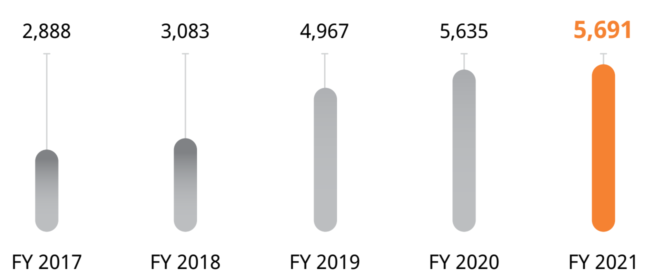
1
Manufacturing plants

1%
Revenue growth in FY 2021

15%
Contribution to total revenues

Revenue from region

(₹ in crore)



Core brands

Insecticides, Herbicides, Fungicides
Interline® | Lifeline® | SuperWham® | Everest® Batalium® | Select® | Manzate® | Evito® | Vigilant® Acramite® | Comite II®

BioSolutions and others
Rancona® | Ph-D®

Highlights of FY 2021

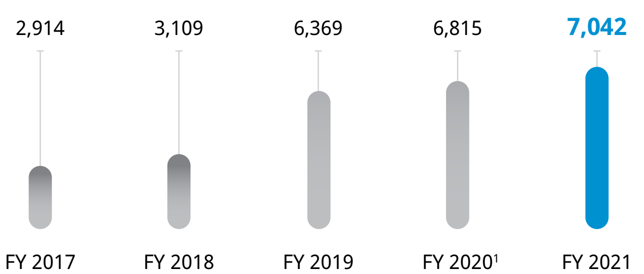
- Lower growth due to significant open orders resulting from supply constraints and logistical challenges
- Strong growth in Sustainable and Differentiated Solutions drove improved margins
- Increased demand for Interline®, due to robust ramp up of glufosinate resistant-traits acres
- Increased demand for Vigilant® was experienced due to strong mite pressure in western US.

Outlook

- Crop protection in North America has been transforming over the years, primarily due to an overall low growth, coupled with changing crop mix trends.
- The region continues to focus on growing population, declining total arable land, and food security, to achieve higher agricultural output.
- Biological based solutions are an emerging preference in North America as a part of their support to the ecologically sustainable agricultural practices.
- The market is projected to remain flat in FY22; early indications suggest tightness in supply and logistical challenges.
- Supply constraints for key products and inflationary environment expected to lead to price appreciation
- Strong consumption due to positive market outlook expected to reduce channel stocks from last year
- Strong performance anticipated in the insecticides portfolio this year due to expected dry weather in the west, and acres of cotton holding at same levels as last year
- First biostimulant to be introduced in Canada

Revenue from region

(₹ in crore)



[1]*Regrouping of businesses on account of regional alignment done in FY20 revenues*

Core brands

Insecticides, Herbicides, Fungicides
Orthene*® | Viper® | Lancer Gold® |Callifan® | Inspire® Crotale® | Floramite® | Kalach® | Select® | Vision® Sweep® | Baseline® | Galago® | Callomil® | Ivory® Vondozeb® | Brilliant® | Evito® |Syllit® | Asilan® Ortran*® | Tokuthion® | Orthocide*® | Select® | Rancona Dimension® | Acramite® | Evito-T® Manzate/ Penncozeb® Tarang® | Fascinate® | Vondozeb® | QuickPhos® Eros Gold® | Omite®

BioSolutions and others
Biozyme® | BM Start®, Banzai® | Callifert® |Stimuroot® Quickphos®

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Highlights of FY 2021

- Double-digit growth in South-East Asia[2], supported by continued expansion of herbicide solutions, in addition to increased demand for BioSolutions in Vietnam, Thailand and Malaysia and the recovery from drought in Indonesia
- Accelerated growth in China, driven by volume gains in UPL's branded sales and the Yoloo acquisition
- Leveraged revenue synergies in Japan, driven by broader customer base and J-maker partnerships
- Strategic partnerships with FMC, allowing for early access to commercialise Chlorantraniliprole (CTPR) insecticide in key countries and to develop a new family of value-added solutions to growers, and Meiji, a license agreement that provides UPL exclusive access to Flupyrimin formulations for foliar application on Rice in several countries[1] in Southeast Asia, will enhance UPL's ability to deliver solutions to growers in the region
- Flat growth in Africa, impacted by COVID related challenges

[2]*Countries include Indonesia, Philippines, Malaysia, Thailand, Vietnam, Myanmar, Cambodia, Pakistan*

Outlook

- Commodity prices expected to stay strong in Asia due to the supply chain challenges
- Covid-19 to negatively impact few crops like flowers in East Africa, and cotton in west and central Africa due to drop in global demand; however, we intend to offset this by focusing on other key crops
- Expect to build on our ProNutiva strategy to provide growth to biosolutions business, as a normal weather is expected in southern and eastern Africa, and in south east Asia. We also intend to start our BioSolutions development program for Australia to ensure future growth; additionally, increased focus on BioSolutions in Japan, S. Korea, Thailand and Indonesia
- Expansion of herbicide portfolio in Vietnam, South Korea, Thailand and Cambodia

AWARDS AND RECOGNITIONS

Recognised across platforms

Asian Sustainability Leadership Award
Excellence in Sustainability Performance Management

More Integrity Seal
Brazil Ministry of Agriculture

CII Industrial Intellectual Property Awards
Best Patent Portfolio, Large (Lifesciences/Pharma)

Agrow Award by IHS Markit
Best Company From an Emerging Region

PLATINUM under Best Community Programme Award and The Good Governance Awards ™
12th Global CSR Awards™

Frost & Sullivan Challengers
From Teri

National Award for Manufacturing Competitiveness
Gold and Diamond for Manufacturing Competitiveness by IRIM

Frost & Sullivan & TERI Sustainability 4.0 Awards-2020 - 'Leaders Award - Mega Large Business, Process Sector'
Frost & Sullivan and TERI

India Green Manufacturing Challenge (IGMC) -2019
International Research Institute for Manufacturing (IRIM)™, India

Golden Peacock Award for Occupational Health & Safety
Institute of Directors

FICCI Chemical and Petrochemical Awards 2021 for Efficiency in Energy Usage In Chemical
FICCI

TOP 100 Typical Enterprise/Factory (Vietnam Plant)
ASEAN Award 2020

ESG SNAPSHOT

Reaching new heights of sustainability achievements

Sustainability continues to be the core of our business, and we will continue to invest proactively in our systems, processes and technologies to enhance our sustainability performance.

Sustainability ratings and recognitions

#1

Global ranking in the agrochemical sector for ESG risk management

Sustainalytics report dated 25 Sept 2020

Inclusion

In DJSI Sustainability Yearbook 2021

BBB

Rated by MSCI ESG

Certified logo holder

FTSE4Good

Responsible Care®

Governance

Dual Board structure with independent Boards at UPL Ltd. and UPL Corporation, and the latter is the unlisted holding company for international operations

50%

Independent Directors for UPL Ltd.

60%

Independent Directors for UPL Corporation

Social

1 million

CSR beneficiaries

₹ 100 crore

CSR spend[1]

[1]*Includes ₹ 75 crore contributed to PM Care Fund for COVID relief facilities*

Environment

Sustainable products and solutions

- #1 BioSolutions provider globally
- 29% revenues from differentiated and sustainable products
- 15-20% reduction in water input usage by Zeba, a patented starch-based natural product for soil enhancement
- Carved out a separate division to focus on Bio-solutions: Natural Plant Protection (NPP)
- Argos: New biological sprout suppressant for potatoes launched in Europe
- Decco Post Harvest Solutions: Wide range of near-harvest and post-harvest solutions to combat food losses
- 5 mn acres covered under mechanised spraying services in India for smallholder farmers
  - Carbon sequestration
  - Pilot programs launched
- Program to avoid stubble burning across 5.7 mn acres in Punjab and Haryana

Manufacturing

- Continuous reduction in water consumption, carbon emission and waste disposal across manufacturing operations over the last 5 years
- 50,000 m3 of rainwater harvested and reused annually
- 60% of manufacturing plans are zero liquid discharge units

ENVIRONMENT

Striving towards a greener tomorrow

We are adopting a low-carbon pathway for our operations and for the agriculture ecosystem at large. Our structured risk-management framework allows us to identify the potential environmental risks arising out of our business operations and devise appropriate solutions to mitigate those.

United Nations Global Compact (UNGC)

A Company must operate in a way that meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. We are part of the United Nations Global Compact and are committed to meet the Ten Principles of United Nations Global impact.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

Committed to Set Science Based Targets

As a part of our commitment towards driving ambitious targets for the climate change, UPL has committed to set science-based targets to keep global temperature increase below 2°C.

Sustainable Manufacturing Technologies

We have a dedicated green cell department that focuses on the designing and development of green sustainable technologies and comprises a team of qualified and experienced chemists, microbiologists, chemical and bio-chemical and environmental engineers. Besides, our green cell department also caters to the technical requirements of the operations team for the seamless functioning of the waste treatment technologies which are already in place at our manufacturing units.

3

Patents filed in the area of liquid waste treatment in FY 2021

Advanced oxidation treatment

We have developed an in-house treatment method that will enable us to remove the colour refractory Chemical Oxygen Demand (COD) from Pendimethalin effluent. It is a major development and is currently being implemented in our Jhagadia unit.

A Novel Fenton like reaction for wastewater treatment

Normally, iron-based advanced oxidation technologies like the Fenton process, is used for industrial wastewater treatment. However, on the downside, this process uses hydrogen peroxide, which is costly as well as hazardous. As a result, we have developed a novel process, similar to the Fenton process to enable us to mitigate the cost and risk of hazards.

Vacuum Distillation Technology (VDT) Piloting

The Vacuum Distillation Technology (VDT) VDT works on the principle of vacuum distillation combined with the vapour compression technology, through the use of a specialised compressor, making it more efficient and economical to treat and dispose industrial effluent.

Advantages

- **Lower capital and operating expenditure**
- **Easy installation and commissioning**
- **Eliminating the structure support which is required in other evaporating systems**
- **Eliminating external steam or heat source required for evaporation**
- **Requirement of less area**

Ozonation piloting

We embarked on the ozonation piloting because ozone is the triatomic, allotropic form of oxygen; it is a strong oxidant which can be used in the potabilisation of surface or ground water as well as in wastewater treatment to remove micro-organisms, inorganic ions and organic pollutants.

Electrooxidation piloting

We have embarked on electrooxidation piloting since electrochemical oxidation is a robust and efficient technology and can be used for the effective treatment of wastewater.

Advantages

- **Non-selective degradation of organic pollutants**
- **Optional requirement of chemical as the main reactant is hydroxyl radicals**
- **Efficient for treatment of refractory COD**
- **Carried out at room temperature and atmospheric pressure**

Patent applications

We have applied for three patents on green sustainable technologies and practices:

- **Pendimethalin: Novel effluent treatment process (in-situ calcium hypo treatment) and scale up for complex effluents**
- **A novel process for elimination of thermogenesis in ETP bioreactors and its efficiency improvement**
- **A novel method for wastewater treatment**

Sustainable Agriculture Practices

UPL is driving the agenda of mitigating the impact of climate change through its efforts towards introduction of sustainable agriculture practices across regions. Nurture Farm, a part of the UPL group, is driving this in making agriculture profitable for farmers and environmentally sustainable today and in the future.

Three-pronged approach for sustainable agriculture

	Financial impact	Environment impact	Societal impact
Aim	• Increase yield • Reduce risk • Market linkage	• Soil health • Carbon sequestration • Managing water	• Reduced use of chemicals • Reduced air pollution • Farmers' insurance
UPL Solution	• ProNutiva package • Managed Advisory • Direct access to processors	• Minimise soil disturbance • Maximise plant diversity • Maximise soil cover • AWD and DSR practices • Use of Zeba	• Use of mechanised spraying service • Recruitment of women operators • Avoiding crop burning • Farm Insurance

Global carbon initiatives

Under the global carbon initiatives, an aggregation-based carbon farming model creates new revenue streams for farmers to ensure use of all regenerative practices helps preserve soil health and improve quality of farmer lives. The farmers use regenerative farm practices to remove CO_2 from the atmosphere and receive carbon credits for negating emission and UPL is acting as a facilitator for this process.

Avoid stubble burning

We are deploying bio-enzymes to be sprayed post-harvest to enable quick decomposition, negating the requirements for stubble or residue burning.

Freshwater consumption reduction with Zeba

Zeba is a revolutionary patented starch-based granule intended for soil incorporation in the root zone and absorbs It has the function to absorb water up to 495 times its own weight. It helps in water holding capacity of soil, positively impacting water usage.

Spraying services in India

UPL has brought world-class mechanised services for farmers in India. It helps in uniform spray and reduces time. More than 5 million acres are covered through this service.

ProNutiva

Our ProNutiva program integrates natural BioSolutions with conventional crop protection products which produces higher yields with less residues, improves grower economics and supports sustainable agriculture practices.

Decco

Through Decco, we are providing safe natural solutions to treat agricultural produce against the post-harvest diseases.

SOCIAL

Making communities integral to our growth blueprint

At UPL, we believe in holistic and sustainable growth of society. Our core value – 'Always Human' and the 'Open Hearts' element of our OpenAg purpose are the guiding force of all our CSR initiatives.

Focus areas

Institutions of excellence

Sustainable livelihood

Nature conservation

Local and national needs

Our CSR values are shared across the globe and development initiatives are undertaken in Argentina, Brazil, Belgium, Colombia, Côte d'Ivoire, India, Kenya, Mexico and UK and supporting more than 80 interventions and benefitting more than 70 communities.

We have a dedicated in-house experienced CSR team to plan and execute the projects. We also partner with other foundations/organisations.

Institutions of excellence

Institution undertaken during FY 2021

UPL is committed to creating institutions of excellence to build responsible and skilled human capital in India through academic excellence, holistic growth, and vocational and life skills.

1. **Shroff S Rotary Institute of Chemical Technology (SRICT), India:** An engineering college providing world-class research and teaching facilities in chemical technology to 330 students every year
2. **Sandra Shroff ROFEL College of Nursing, Vapi:** The college offers 4-year B. Sc. (Nursing) and 2-year M. Sc. (Nursing) courses to 55 students every year
3. **Sandra Shroff Gnyan Dham School, India:** A school renowned for its outstanding academic performance, along with co-curricular activities, benefiting 1,600 students every year
4. **Gnyan Dham Eklavya Model Residential School, Ahwa, India:** Established to improve quality of education for poor tribal students, benefiting 350 students every year
5. **UPL Center for Agriculture Excellence:** A residential farmers' training centre, providing practical sustainable farming skills training to 18,142 farmers very year
6. **Centre of Excellence (COE):** Established a Centre of Excellence on Process Safety Management

Sustainable livelihood

We are focusing on generating sustainable livelihoods around three pillars 1) Agriculture development, 2) Skill development and 3) Entrepreneurship.

1. **Agriculture development (UPL KhedutPragati) with small and marginal farmers in India**
   With an objective to enhance food security and improve the socio-economic conditions of small and marginal farmers, we are working with 3,880 farmers and 87 farmer groups across 6 different clusters in field and have trained 18,000+ farmers on improved agricultural practices. We have also formed 6 Farmers producer Company (FPC) for better marketing of the produces.
2. **Skill Development (UPL Niyojaniy) with dropped-out youths in India**
   We are empowering youth and women to increase their income earning capacities through 1) Developing and strengthening skills, 2) Improving resource accessibility and 3) Providing institutional support. More than 4520 youth and women from 50+ villages were trained/skilled
3. **SHG & Entrepreneurship development (UPL Udyamita) with rural women in India:**
   We are working to empower rural women of India through the formation and strengthening of Self-Help Groups (SHG) and promoting entrepreneurial culture among the groups. We have reached 1851 Women Members of 151 Self Help Groups from 49 Villages. We have also formed one Saving Credit Cooperative Society at Valsad with 700 women.

Nature conservation

We implemented initiatives to conserve environment and creating a positive impact on the flora and fauna.

1. **Eco clubs:** We have opened 117 eco clubs in the last six years in six clusters with more than 4,439 members and 15,829 students.
2. **Sarus conservation, Kheda:** We have created more than 88 RSPGs (Rural Sarus Protection Groups) across 40 villages in the last five years, benefiting 18,163 students and 4,320 villagers.
3. **Deer and ungulate breeding project, Vansda:** In the last three years, 62 deer, 12 four-horned antelope and 19 spotted deer have been released into the forest.
4. **Water conservation:** In the last three years, 2 check dams, 8 group wells, 6 ponds, 2 bore well recharge structure have been developed and constructed. 72,947 cubic metres of water was conserved.
5. **Social forestry:** We have planted 1,35,729 trees and 3,00,000 mangroves.

Local area needs

1. **School sanitation Initiative, India:** In the last six years, 57 blocks were constructed in community areas benefiting 14,500 students and 3,000 commuters per day
2. **Safety trainings Program in India:** UPL has been organising several training programs in various domains for the safety and wellbeing of women, industrial workers and general masses. In the last seven years, more than 42,000 participants have been provided safety training sessions on Girls/Home Safety, Industrial Safety and road safety.
3. **Nutri-gardens for local schools and community-Anganwadi, Telangana, India**
4. **Support to Seva Yagna Samiti, Bharuch, India:** Provides treatment to the newborn children in poverty-stricken families.

National area needs

1. **United Against Child Labour (UACL) India:** We organised awareness drives in 6 states and briefed 3,500+ seed growers in the last three years against child labour in our seed supplier farms and ensure education.
2. **Unnati (Building capacity of Community Based Organizations (CBOs)), India:** The project envisions holistic development of (CBOs) by accelerating their reach to stakeholders and improving and nurturing their management skills and operational processes. 11 lakh people benefitted in the last five years.
3. **My Super Ward, India:** UPL launched an e-governance application My Super Ward to help citizens and local government to contact civil authorities, raise complaints, give feedback on development work in progress, make suggestions for new projects and more.
4. **Ekatrita Bhavishya, Vidharbha, India:** UPL collaborated with government, voluntary organisations to support farm widows recover from their losses and help them manage their lives.
5. **Global Parli, India:** UPL is supporting the Global Parli project which works with villagers in Marathwada, Maharashtra, India with an objective to transform rural India. Last year, the initiative focused on water management, planting fruit trees where more than 20 lakh trees were planted in 106 villages and 42.5 lakh+ planted till date.
6. **Project Aspta, India:** We have been supporting a medical van in partnership with Prayas Society with the objective to provide basic medical services to rural communities of Hamirpur, Himachal Pradesh, India.
7. **Support to Friends of Tribal Society to run "One Teacher School" in India:** UPL is supporting 454 One Teacher Schools and 13,000+ students are getting educated in Umaria and Shahdol region, Madhya Pradesh, India.
8. **Support to Save the Children India (SCI):** UPL has been supporting to SCI since last 3 years, with an objective to help children with special needs to become a part of mainstream education and reached out more than 8,000 children.
9. **Solar Light Project at different Location in India:** UPL has installed solar lights across different locations in India.
10. **Infrastructure Support, India:** UPL constructs and supports various infrastructure projects like Community halls at different locations in India
11. **Sports Development Initiative, Muzaffarnagar, Uttar Pradesh, India:** Our efforts in this initiative is to identify and train the new talent across various sports

Global CSR initiatives

- **The One Billion Hearts Initiative in Africa:** The Heart Fund initiated the One Billion Hearts Initiative in 2020 in a public-private partnership mode. UPL has pledged its support to the initiative and till date 1,236 cardiac consultations have been performed, the majority having never consulted a cardiologist.
- **Tsavo West National Park (Kenya):** We are working with Mr. Patrick Kilonzo Mwalua, known as the waterman of Tsavo, for conservation of wildlife at Tsavo West National Park (Kenya). In FY 2021 we worked on minimising man-animal conflict through promotion of Sunflower farming.
- **The Life Association in Brazil:** UPL Brazil provided complementary education program with the Life Association and created opportunities for young people. The participants of the program were supported last year with food packets and nutritional supplements.
- **Oxford India Centre for Sustainable Development (OICSD), UK:** UPL supported 20 online events and 2,000+ attendees globally last year.
- **UPL has joined forces with the FIFA Foundation** to promote and raise awareness about sustainable development in agriculture and education in society through football.
- **Integrated Projects in West and Central Africa,** UPL's projects on introduction of sustainable technologies for the farmers of West and Central Africa have benefitted more than 5,000 farmers.
- **Applique Bien,** A free training program for farmers through autonomous fully equipped mobile units, in Burkina Faso, Cameroon, Chad, Ghana, Ivory Coast, Mali and Senegal. 8,800 + farmers trained in the year 2020 and 86,000 + farmers trained under the initiative till date.
- **Integrated Maize Program (IMP) in Mali:** In order to facilitate access to quality inputs and secure market for farmers and a money back guarantee, IMP was initiated. The initiative provides easy access to high-quality inputs, finance solutions and output market and hence increased incomes.
- **Cocoa & Forests Initiative (CFI)** in Ghana and Ivory Coast – UPL's work with cocoa communities is delivered through a unique 'Farmer centric model'. Our primary CFI goals are to train 16,500 farmers in Good Agricultural Practices in Ghana and Côte d'Ivoire and to facilitate access to financial products for 67,700 farmers in Ghana and Côte d'Ivoire by 2022.

- **Building smallholders' resilience in Mexico:** "Dos Tortillas" program is for smallholder farmers in Mexico. The objective is to introduce new Corn technologies to smallholder farmers to increase yield, improve productivity and self-sufficiency.
- **Empowering livestock keepers with nutrition in Tanzania:** Our seed division, Advanta Seeds partnered with Agricultural Research Institute TARI to test Advanta fodder crops for silage. The objective is to enhance the country's beef and dairy sector and boost farmers' income.
- **Saving the Amazon in Colombia.** UPL Colombia joined the initiative "Saving the Amazon", where we donated 270 trees to all our stakeholders in Colombia and Ecuador.
- **2Rs - Recycle and Reforest in Sao Paulo, Brazil.** The project "2Rs – Recycle and Reforest", by the Cooperative of Sugarcane Planters of the State of São Paulo (Coplacana) and financial support from the UPL, has support collection of 200 tons of pesticide containers. More than 16,000 native trees were delivered in a recycling and reforestation action carried out by UPL.
- **Promoting conservation agriculture in Tanzania.** Our seed division, Advanta Seeds has collaborated with Farm for the Future, ACE and Bytrade Tanzania Ltd. to promote conservation agriculture.
- **Supporting seasonal workers community in Argentina**: Our team in Argentina supports the seasonal workers community in Santiago del Estero
- **Supporting the neighborhood farmers in Brazil:** Through this initiative, UPL is delivering 900 basic-needs grocery packages to entities supporting children and elders on behalf of each participating cooperative.
- **Integrated development in Mexico and Cuba:** We have been able to positively impact the lives of people in the region which includes elderly, children, agriculturists and vulnerable population.
- **Boosting nutrition for school children, Thailand.** Our team in Thailand engaged with the local government and community leaders in schools in Nong-Kae Sub-district, Phraphutthabat, Saraburi province to launch a nutrition program. We already reached 30 teachers and about 220 children in the region.
- **Empowering children & youth in remote areas in Thailand:** This initiative started in 2011 and it has been continued since then. We invite all dealers and farmers to join in this initiative where for each 1kg of corn seeds sold we donate 1 Thai Bhat to the fund.

Together with humanity- Our global community initiatives during the COVID-19 pandemic

During these unprecedented times, UPL as a globally responsible and committed company, faced the pandemic challenges head on, reaching out to all our stakeholders, worldwide, with our focused initiatives. As the world was battling the COVID-19 pandemic last year in March 2020, UPL's COVID response team went into overdrive worldwide immediately.

Overall, our focused initiatives have helped reach more than 10 lakh beneficiaries in FY 2021.

Details on COVID Relief initiatives on Page 26

GOVERNANCE

Our robust governance framework

At UPL, we have always focused on creating long-term value for our shareholders ethically. Our approach to value creation is founded on our robust corporate governance framework. It encompasses a holistic approach addressing all spheres of our interaction – economy, society and the environment – while maintaining integrity, transparency and accountability.

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

Board of Directors

The Board provides strategic guidance to management in the field of operations and future development. It promotes values, review goals, determine policies and charts the medium to long-term growth strategy for our organisation.

Being a global company with 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. UPL Limited, the company listed in India and UPL Corporation Limited, Mauritius, the flagship company of the Group for its global operations have separate boards represented by experts from diverse domains including chemistry, agri-inputs, finance, economics, food policy and sustainability among others. Having two Boards which operate independently also helps to bring in versatility to the table and addressing business criticalities through a strategic approach. Both the Boards have well-defined policies and constituted several committees as part of their corporate governance framework to ensure superlative and sustainable performance.

Board Committees

The UPL Board is supported by five statutory Board Committees that helps in 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. They play a critical role in carrying out functions independently, inspecting controls and assessing and managing risks.

Audit Committee

The Committee comprises three Independent, Non-Executive Directors. It is responsible for UPL's financial reporting process and disclosure of UPL's financial information to ensure that the financial statements are correct 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 (Chairman of Committee), 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. The Committee comprises five members of which two are Executive Directors, one Independent Director, Global Chief Financial Officer and Global Head – Supply Chain. 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

CSR Committee comprises one Promoter Director, one Independent Director and one Executive Director. The Committee is the foundation of all our CSR programs, right from making the blueprints to executing them.

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

During FY 2021, UPL undertook several initiatives to strengthen corporate governance practices

- Terms of reference of all Board Committees were reviewed and were found satisfactory. Necessary updation were done to make it abreast with current applicable laws.
- Risk Management is an important function of the Board. Risk Management Committee of the Board was reconstituted with addition of Independent Director and senior Company Executives. The role of the Committee has been enhanced.
- Revamped Policy on Related Party Transactions by benchmarking it with best global practices. Policy aims to ensure proper reporting, approval and disclosure processes for transactions between the Company and related parties.
- Mr. Hardeep Singh was appointed as Lead Independent Director to further strengthen governance processes.
- Adoption of group-level Executive Compensation Policy for Executive Leadership Team (ELT). The policy aims at benchmarking ELT remuneration to ensure market competitiveness and parity for the place of work.

BOARD OF DIRECTORS

1. Rajnikant Shroff 2. Jai Shroff 3. Vikram Shroff 4. Arun Ashar 5. Hardeep Singh 6. Pradeep Goyal 7. Reena Ramachandran 8. Vasant Gandhi

1. Rajnikant Shroff

Born in a family of entrepreneurs in a small town in Kutch, India, Mr. Rajnikant Shroff (alias Mr. Rajju Shroff) has been passionate about chemistry and chemicals right from the beginning. He pioneered Red Phosphorus manufacturing in 1969, giving an impetus to the indigenous chemical industry.

Mr. Shroff is a graduate in Chemistry from the Bombay University. He established a novel process of manufacturing mercury salts in a plant at U.K. 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 like Aluminium Phosphide (fumigant) and Zinc Phosphide (rodenticide) for agriculture.

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.

His dedication to UPL and his causes are unwavering. His many awards are a mere testimony of his legend. Some of them are:

- **On the Eve of the 72nd Republic Day in 2021, Mr. Rajnikant Shroff was conferred Padma Bhushan, one of India's highest civilian awards, for his contribution to the field of trade and industry.**
- Honored with the Mexican Order of the Aztec Eagle in 2018.
- Bestowed with the Lifetime Achievement Award in the year 2015 by AGROW.

2. Jai Shroff

Mr. Jaidev (Jai) R. 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.

Under Jai's leadership, UPL emerged one of the fastest growing agri-input companies in the world with a strong presence in the Seeds, Plant Nutrition, Crop Protection and Post-Harvest Food Preservation value chains. He has driven the transformation of UPL from a largely domestic player to a truly Indian multinational organisation. Jai believes passionately 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. Jai is regularly invited to speak on conference platforms, covering sustainability, food security, climate resilience and technological innovation.

3. Vikram Shroff

Mr. Vikram Shroff is part of the leadership team of UPL and has been driving continuous organisational growth with his dynamic leadership, sound strategic insights and outstanding people management skills. He is passionate about developing people, streamlining processes, innovation and exploring new technologies for a sustainable and resilient future. He has ensured business continuity and quick turnarounds through effective crisis management initiatives.

A philanthropist to the core, Vikram is leading the war against COVID – 19 through various community welfare initiatives. He takes keen interest in the social development projects and the educational endeavors 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.

He is also the recipient of The Global Gift Philanthropist Award, Dubai in December 2018.

4. 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 and has completed his graduation from the University of Mumbai.

Mr. Ashar has been associated with UPL Group since the year 1973. His association with the Group of around 48 years has added value to the Company, its shareholders and the employees. He has rich and varied experience of the Industry and, of all functions of the Company including finance, compliance, governance and general administration. He has provided dedicated and meritorious services and significant contribution to the overall growth of the Group.

5. Hardeep Singh

Mr. Hardeep Singh started his career with the Tata Group and rose 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 South Asia including India and Pakistan. Under his leadership Cargill built substantial assets and customer access in South Asia with a high performing team. 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 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.

He is an alumnus of Kellogg School of Management, Advanced Management Programme.

6. 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, 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 has recently also been conferred with "Distinguished Life Member Award" by ASM. 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 a developer of patented innovative technologies using high temperature microwaves.

7. 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 on the Board of UPL Limited. She also 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'.

8. Vasant Gandhi

Dr. Vasant P. Gandhi holds a Ph.D. from Stanford University, a Post-Graduate Diploma in Management (MBA) from IIM Ahmedabad, and a Bachelor of Science in Agriculture from G.B. Pant University, Pantnagar. He teaches at the Indian Institute of Management Ahmedabad (IIMA), and has been Chair Professor, Chairman-Centre for Management in Agriculture, as well as a Board member at IIMA. He has been the founder Chairman of IIMA's Post Graduate Programme in Food and Agri-Business Management which is internationally ranked no.1 in the world. Earlier, he has worked with the World Bank and the International Food Policy Research Institute (IFPRI) in Washington. He has been a Visiting Professor at University of Sydney, and the James Cook University in Australia, and is Adjunct Professor at the University of South Australia. He has published a number of books and nearly 200 research papers on topics ranging from economics, finance, food & agriculture policy, technology, water resource management, marketing and agribusiness. A well-known economist and management expert, he recently received the lifetime achievement award from his alma mater and was elected conference president of ISAE - prestigious professional society. He has been consultant and advisor to numerous public and private organisations, on the Boards of several companies, and on various government committees including the Prime Minister's Task Force on Irrigation.

LEADERSHIP TEAM

1. Jai Shroff 2. Vikram Shroff 3. Carlos Pellicer 4. Rajendra Darak 5. Anand Vora 6. Sanjay Singh 7. Raj Tiwari 8. Farokh N. Hilloo

1. Jai Shroff

Global CEO of the Group

Mr. Jaidev (Jai) R. 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. Under Jai's leadership, UPL emerged one of the fastest growing agri-input companies in the world with a strong presence in the Seeds, Plant Nutrition, Crop Protection and Post-Harvest Food Preservation value chains. He has driven the transformation of UPL from a largely domestic player to a truly Indian multinational organisation. Jai believes passionately in the power of collaboration and inter-sectoral partnerships.

For detailed profile, please refer to page 66

2. Vikram Shroff

Director

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

For detailed profile, please refer to page 67

3. Carlos Pellicer

Global COO

Mr. Carlos Pellicer is currently in the role of Global Chief Operating Officer. 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 New Product Development 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. In his past role as Global COO – Strategy, Innovation & Integration, he worked closely with marketing, R&D and strategic alliances to drive strategic growth initiatives for UPL. Decco and Sinagro Brasil are also led by Carlos.

4. 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.

5. Anand Vora

Global CFO

Mr. Anand Vora joined UPL as Global Chief Financial Officer (CFO). He joined UPL from Bunge India, where he worked as CFO. Anand has 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.

6. 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 Nanyang Business School, 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. A person of varied interests, he has a special interest in organisational & management dimensions of strategy.

7. Raj Tiwari

Global Chief Supply Chain Officer

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.

8. Farokh N. Hilloo

Chief Commercial Officer

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).

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. Rajnikant Shroff
Chairman and Managing Director

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

Mr. Vikram Shroff
Non-Executive Director

Mr. Arun Ashar
Director – Finance

Mr. Hardeep Singh
Lead Independent Director

Mr. Pradeep Goyal
Independent Director

Dr. Reena Ramachandran
Independent Director

Dr. Vasant Gandhi
Independent Director

Ms. Usha Rao-Monari
Independent Director
(Upto May 12, 2021)

GLOBAL CHIEF FINANCIAL OFFICER
Mr. Anand Vora

COMPANY SECRETARY AND COMPLIANCE OFFICER
Mr. Sandeep Deshmukh

STATUTORY AUDITOR
B S R & Co. LLP

CORPORATE IDENTITY NUMBER
L24219GJ1985PLC025132

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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
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DEBENTURE TRUSTEE
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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 4918 6270
Email id: rnt.helpdesk@linkintime.co.in

37th Annual General Meeting (AGM) of UPL Limited scheduled on **Friday, August 6, 2021 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.

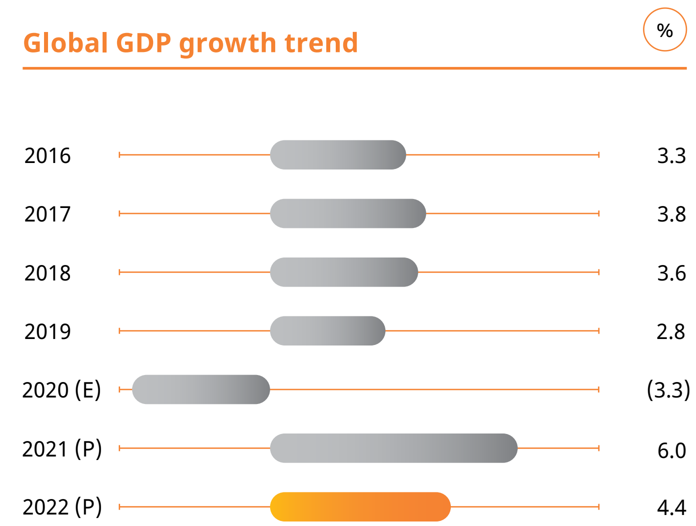
Statutory Reports & Financial Statements

Management Discussion & Analysis

Global economy

The unprecedented COVID-19 crisis had deep ramifications on the global economy, which contracted by 3.3% in CY2020. As countries went into lockdowns to curb the outbreak, restrictions crippled supply chains and many were put out of work. The pandemic had a varying impact across the income pyramid, widening increased inequality and undoing a lot of the progress made in reducing global poverty over the last three decades. The world economy felt the major impact of the pandemic in the first half of the year with a sharp recovery seen in the latter half, supported by government stimulus across the board and businesses adapting to change, proactively. Although new virus strains and outbreaks in some countries pose a challenge, mass vaccination drives across the world are bringing hope. The world economy is expected to grow 6% in CY 2021, with the speed of recovery depending on several macro-economic and demographic factors.

Global GDP growth trend



Source: World Economic Outlook

India economy[1]

The Indian Economy already experiencing headwinds, with the growth rate slowing to 4% in FY 2020, contracted by 7.3% and 6.3% in terms of GDP and GVA, respectively in FY 2021. The agriculture and utilities sectors grew by 3.6% and 1.9%, respectively, because of being an essential service, while contact-intensive and informal sectors of retail trade, hotels, transport, communication and services were negatively impacted. The economy saw a V-shaped recovery with the growth rate going back to nearly pre-pandemic levels, supported by pent-up and festive demand once the restrictions were removed.

The more virulent second wave of COVID-19 led to localised lockdowns, stalling the recovery process temporarily. CRISIL expects the Indian economy to recover strongly, with a projected 9.5% growth for FY 2022, which is subject to containment of the second wave and management of possible future outbreaks. Multiple factors are working in favour of India's economic growth, including low statistical base, broad-scale global growth projections boding well for exports, fast adaption to post-pandemic life, and accelerated vaccination drive.

Multiple factors are working in favour of India's economic growth, including low statistical base, broad-scale global growth projections boding well for exports, fast adaption to post-pandemic life, and accelerated vaccination drive.

[1]*Source: World Economic Outlook Trade Economics, May 2021, CRISIL report*

Global crop protection market[2]

The crop protection market is directly correlated to agricultural production. While most industries were severely impacted by the pandemic, given the essential nature of food production the agrochemical industry was largely sheltered from the brute force of the pandemic. Agricultural inputs manufacturing and supply was primarily excluded from the lockdown restrictions across the world, though the industry faced challenges arising from reduced availability of migrant farm labour and concerns around shipment delays in ports. Demand side pressure was seen on a few crops, because of reduced cotton consumption in the textile industry, vegetable production in North America due to limited operations around the hospitality sector and reduced demand for maize in biofuels. While currency headwinds in a few geographies also had a detrimental impact on performance, favourable pricing environment and improved weather across key markets kept the sector afloat.

The global market for conventional crop protection products is estimated to have grown by 2.7% in 2020 to US$62 billion. Nearly all major key crops witnessed strong price gains despite the challenges. The sector is expected to have another positive year with favourable macro-factors for agriculture like encouraging crop price trends and weather projections.

In terms of exports, China which accounts for over half of the global production for many off-patent products, experienced pressure when the pandemic first took badgered the country, with exports of pesticides declining in January and February by 12.8% y-oy. However, this was overcompensated with robust growth in the latter months, with the country witnessing an overall export of ~2.5 mn tonnes, a 71% increase for 2020.

Conventional crop protection market 2015-2020

	2015	2016	2017	2018	2019	2020
World crop protection market (US$ million)	59,120	55,777	57,497	60,875	60,402	62,036
Nominal change on previous year (%)	-5.3	-5.7	+3.1	+5.9	-0.8	+2.7
Real change on previous year (%)	+12.9	-4.4	+1.7	+7.3	+5.6	+12.9

**on basis of restated historic data*

The global market for conventional crop protection products is estimated to have grown by 2.7% in 2020 to US$62 billion. Nearly all major key crops witnessed strong price gains despite the challenges.

[2] *Phillips McDougall IHS Markit*

Product sector performance, 2020

Herbicide market

Increased global soybean and maize sowing areas and favourable monsoon conditions in India and Southeast Asia were the key enablers of growth in the segment. Reduced migrant workforce availability due to lockdowns posed challenges in addressing increasing demand. Australia affected by weed pressure and prolonged drought in previous year saw an uptick with comparatively better weather conditions during the year. While, in the Americas, a key, upcoming trend was the increased adoption of alternative GM traits, demand shift from glyphosate tolerance to the more expensive herbicide technologies, such as glufosinate, dicamba and 2 and 4-D primarily due to resistance issues as well as regulatory challenges.

46% Market Share

2.9% Growth

Insecticide market

Despite regulatory pressures in Europe and India, the surge in fall armyworm and pest attacks in the Middle East, Africa and Asia led to a continued increase in demand. Measures taken to control the devastating locust attacks, which plagued India and Pakistan in 2020 also contributed to widening demand growth.

26% Market Share

3.1% Growth

Fungicide market

Despite dry weather conditions across Europe and Australia, currency headwinds in Latin America and lower prices of generics caused the fungicide market to grow, as farm areas continued to expand for most key crops and strong monsoon conditions in Indo-China region encouraged fastet bounce back.

28% Market Share

2.4% Growth

COMMON TRENDS

A common trend across both insecticides and fungicides is the growing adoption of biosolutions, which saw several deals where the leading players invested in biofungicide products since the start of 2020.

Geographic performance in key markets

NORTH AMERICA

18% Market share

3.3% Growth

Comparatively favourable weather in 2020, enabled a rebound in the market despite adverse events, including the 'derecho' weather circumstance in Iowa/Midwest and severe forest fires in the Western US. Overall strong demand and increase in plantation area of soybean and maize offset the dampeners that were the COVID-19 restrictions and low oil price impacting maize and oilseed rape markets.

While trade tensions between Canada and China go on, reports indicate canola producers have found an indirect way of supplying to China, boosting crop prices and offering some optimism for 2021 and beyond.

LATIN AMERICA

26% Market share

2.1% Growth

Brazil continues to drive growth in the region, despite slowdown in maize demand. There has been seen significant growth in the soybean market during 2019-20 crop year, boosted by bigger harvested areas and good growing conditions in the main soybean producing state of Mato Grosso. Devaluation of the home currency, Brazilian Real in early 2020 significantly boosted crop prices paid in local currency, which resulted in increased producer profit margins and ultimately value of inputs. Elsewhere in Latin America, continued devaluation of the Argentine Peso and economic uncertainty impacted input spending in the country.

EUROPE

21% Market share

1.6% Growth

The restriction and ban imposed on 28 active ingredients in January 2019, resulted in registration loss and slow uptake of replacements, even as continued bad weather led to stagnation in the European market. Eastern Europe was facing the dual impact of adverse weather across key regions and high inventories built up, while Western Europe experienced dry conditions, limiting water availability and pest pressures. The only positive factor was favourable market conditions in Russia and Ukraine and improved weather in Southern Europe, particularly Spain and Italy.

ASIA PACIFIC

31% Market share

3.8% Growth

Good monsoon conditions in India, shortage of labour due to COVID-19 restrictions and increasing pest pressure across the APAC with desert locust infestations and fall armyworm, boosted demand for insecticides. The Japanese market continued to rise with the strengthening Yen, growing 1.5% in USD terms for the year ending September 2020. Growth in Australia, which had been slow due to severe droughts impacting production of 2019-20 winter crops, started rebounding during the 2020-21 season.

THE MIDDLE EAST AND AFRICA

4% Market share

1.6% Growth

Growth in the region can be largely attributed to a rebound in South Africa, following years of severe drought. Although the same was slowed by the worst desert locust infestation in decades, reducing the net insecticide market. Other detrimental factors limiting market growth included reduced consumption of cotton in the textile industry due to the pandemic.

Global outlook for 2021

- Strong commodity pricing benefiting farmer income
- Overall good weather expected across regions
- Higher acreages and investments by farmers in regions like Brazil, driven by strong prices
- Generally favourable winter crop conditions in Europe with healthy outlook of spring plantings
- Price rise in agrochemicals due to demand-supply imbalance, exacerbated by shipment costs issues
- Biosolutions outpacing industry growth over the medium term, with increased adoption and strong commodity prices

Indian crop protection market

The agrochemicals industry is buoyed by the acceleration in agricultural activities due to normal monsoons and lucrative prices. Production of agrochemicals (technical grade) grew by over 10% in FY 2021. There was a gradual shift from generics towards speciality products because of higher effectiveness and increasing affordability, with the latter now estimated to contribute 20-25% of India's current agrochemical sales.

5th
largest Agrochemical market globally

US$ 3,120 million
Market size

8.8%
Growth rate, fastest among the Top 20 markets in 2020

4.8%
5-year CAGR

Note: Growth in USD terms

Union Budget 2021 on the agriculture sector

The Union Budget 2021 announced several measures for the agriculture sector to aid inclusive development and revive the economy.

- To ensure enhanced credit for the sector, the government increased the target for agricultural credit to ₹16.5 lakh crores in FY 2021 from ₹15 lakh crores in the previous year
- The Green Scheme has been extended to 22 additional perishable products
- Extended e-NAM to additional 1,000 mandis to ensure transparency and competitiveness
- Allocation to the Micro-Irrigation Fund to achieve the 'per drop more crop' goal, has been doubled to ₹10,000 crores to promote efficient use of water for agriculture
- Under the 'Stand Up India' scheme, the government proposed to include loans for activities allied to agriculture, too, apart from the existing credit to manufacturing, services, or trading sectors.
- Additionally, the government has announced other measures like custom duty rationalization among others to benefit the Indian farmers

DOMESTIC CONSUMPTION

Despite the pandemic, vibrancy within the rural markets can be attributed to the two consecutive good monsoon seasons and a respectable sowing season, resulting in production multiplication. The favourable monsoon also enabled the record high kharif sowing season. There were positive indications, including increased production and strong bounce back in agricultural product exports.

On the supply side, new product launches, proactive raw material handling planning along with efficient capacity utilisation supported the increased manufacturing of agrochemicals. Although in the third quarter, industry growth was halted by two cyclones and prolonged rainfall especially in Southern India, which resulted in lower insecticides consumption. However, herbicide and fungicide categories continued are projected to do well and overall strong growth was recorded at the end of the year, aided by a good rabi season and higher liquidity levels among farmers.

India's growing agriculture production

(in million tonnes)

	Food grain production		Oilseed production	
	Kharif	Rabi	Kharif	Rabi
FY 2006	109.87	98.73	16.77	11.21
FY 2007	110.58	106.71	14.01	10.28
FY 2008	120.96	109.82	20.71	9.04
FY 2009	118.14	116.33	17.808	9.911
FY 2010	103.95	114.15	15.728	9.153
FY 2011	120.85	123.64	21.922	10.557
FY 2012	131.27	128.01	20.691	9.108
FY 2013	128.07	129.05	20.791	10.15
FY 2014	128.69	136.35	22.624	10.126
FY 2015	128.07	123.96	19.221	8.29
FY 2016	125.09	126.45	16.698	8.553
FY 2017	138.33	136.78	21.526	9.75
FY 2018	140.47	144.55	21.006	10.453
FY 2019	141.52	143.7	20.676	10.846
FY 2020	143.81	153.69	22.25	10.97
FY 2021	148.36	157.08	24.55	12.01
	Grain output continues to raise the bar; crosses 300 million tonnes mark		Oilseed production to hit record levels in crop year 2020-21	

Source: Third advanced estimates of crop production for 2020-21, Ministry of Agriculture

EXPORTS

Of the total export out of India, top five countries constitute 50%, comprising mainly of Brazil and USA followed by Vietnam, France, Japan and others. Benign weather patterns across key exporting markets of Brazil, USA, Andean and parts of the European Union led to positive export performance, as reinforced by supportive crop prices and an improved supply chain.

~50%
Of India's production exported

16%
Growth in exports

Source: CARE Ratings; 9MFY2021 vs 9MFY2020

INDIA OUTLOOK[3]

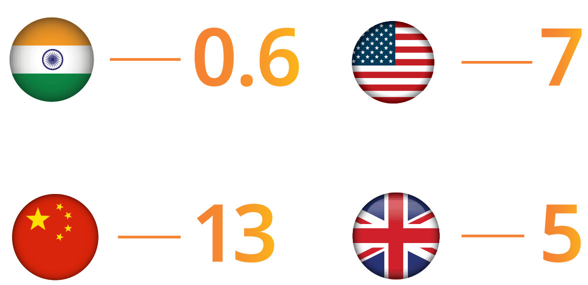
The agri-input sector is on a growth trajectory, owing to normal monsoon for two consecutive years. Despite concerns and challenges birthed by the pandemic, the government's support to farmers through higher procurement at Minimum Support Prices further helped in propelling demand for agri-inputs. In FY 2022, domestic tailwinds from strong liquidity among farmers and a normal monsoon will be the drivers in sustaining double-digit industry growth.

In line with the growth of the overall agri-input sector, higher acreages and crop prices as well as the government's focus on expanding production, the demand for agrochemicals is expected to witness robust growth over the next few years. Relatively lower agricultural yields, high losses due to diseases and pests and rising labour costs are expected to structurally drive increasing agrochemical usage.

The year is slated to see another harvest, in addition to the farming community's liquidity provisions for spending on safeguarding their crop from pests and diseases. Conducive monsoon expected for the third straight year, robust reservoir levels, expansion in summer crop area and 4-5% increase in MSPs for key crops will support healthy agrichemical volume offtake over the near term. Agrochemical exports are expected to remain steady as agronomic conditions across most markets of the world improve compared to last year and crop prices remain buoyant, boding well for farmer profitability.

India's consumption is considerably lower compared to other key markets and is expected see multi-fold growth

kg/ha



The government is expected to bring a production-linked incentive (PLI) scheme for the promotion of domestic manufacturing of agrochemicals providing a well-timed opportunity to further increase global market share as customers increasingly diversify their supplies away from China. The industry is also focusing on increasing backward integration capacities for the manufacturing of technical grade pesticides, in a bid to become self-sufficient and reduce reliance on China.

[3] *Care Ratings, Edelweiss sector review*

Financial analysis

While the agrochemical market has grown in low single digits over the years, we have continuously delivered above-market growth rates with revenue and EBITDA growing at 21% and 26%, respectively over the last five years. The year also saw us bring our net working capital cycle to the lowest in the last few years.

Despite FY 2021 being a challenging year for the global economy, we maintained our growth trajectory. We withstood these challenges and our encouraging results are a true testament to the effectiveness of our agile market-focused strategies, wide access to global markets, deeply integrated supply chain and strong commitment to meeting targets. We delivered a strong performance during the year with growth across key financial parameters while continuing to reduce debt.

Income Statement

₹ in crore

Particulars	FY 2021	FY 2020	Growth Rate (%)
Revenue	38 ,694	35,756	8
Gross Margin	15,704	14,349	9
EBITDA	8,559	7,452	15
PAT	3,692	2,798	32
Net Profit	2,872	1,776	62

Note: FY 2020 gross margin and EBITDA numbers before adjustment for Purchase Price Allocation impact on acquisition of Arysta of ₹ 349 crore FY 2020 reported gross margin ₹ 14,000 crore, EBITDA ₹ 7,103 crore.

Balance Sheet

₹ in crore

Particulars	FY 2021	FY 2020	Trend
Net worth	20,887	19,282	↑
Net debt	18,922	22,061	↓
Total non-current assets	36,883	37,395	↓

Working Capital

Particulars	FY 2021	FY 2020	Trend
Net working capital	71 days	80 days	↓
Net working capital (₹ in crore)	7,508	7,724	↓
Inventories (₹ in crore)	9,422	7,850	↑
Receivables (₹ in crore)	11,874	11,428	↑
Payables (₹ in crore)	13,789	11,555	↑

Key Ratios

Particulars	FY 2021	FY 2020
EBITDA margin	22.1%	20.8%
EBITDA/Net interest	4.1 x	5.0 x
Net debt-equity ratio	0.9 x	1.1 x
Net debt/EBITDA	2.2 x	3.0 x
Return on equity	13.8%	9.2%
Earnings per share	₹ 36.42	₹ 23.24

↑ Increase ↓ Decrease

Risk Management

In today's ever-evolving dynamic business landscape, internal and external threats and their effective mitigation are an unavoidable part of business operations. We have developed and implemented a robust risk management framework (RMF) for the same.

Part of DJSI's coveted and prestigious

Global Yearbook 2021

OBJECTIVES OF THE RMF

- To identify, assess, prioritise, treat, monitor and report business risks arising out of internal and external factors that can affect our strategic objectives
- To integrate risk management processes with other assurance providing functions
- To formulate a resilient and robust methodology to manage and mitigate risks
- To continuously improve our risk management process by benchmarking it with the best industry Enterprise Risk Management practices, regulatory requirements and leading risk management standards, such as ISO 31000 and COSO.
- To encourage technology-enabled effective and efficient monitoring of risk profile across UPL vis-à-vis overall risk appetite of the Company.
- To clarify roles and responsibilities, principles, standards, methods, tools and training measures adopted with an objective of building strong risk-aware culture.

RISK MANAGEMENT PROCESS

1 **Risk identification**
UPL conducts a rigorous risk identification exercise in linkage with the strategic business plans and emerging risks due to evolving business landscape. The UPL risk universe, which is regularly updated, is leveraged across functions and businesses to conduct ongoing risk assessment based on business operations.

2 **Risk assessment**
Wherever applicable, identified risks are evaluated for their potential impact and likelihood of occurrence using the standard risk assessment scale. Risks are further classified into High, Medium and Low based on their overall assessment score.

3 **Risk prioritisation**
Identified and assessed risks are prioritised for optimised deployment of the Company's resources for effectively managing the risks that matter.

4 **Risk treatment**
Relevant risk response strategy and controls are defined for the identified risks based on exposure vis-à-vis the Company's overall risk appetite. These include risk treatment, risk transfer, risk tolerance and risk termination.

5 **Risk monitoring and reporting**
Effective risk response action plans are defined, based on cost-benefit analysis, to reduce the impact and likelihood of identified risks. Risks and defined response action plans are regularly assessed, updated and reported at appropriate levels within the organization to maintain an ongoing oversight.

RISK GOVERNANCE- ERM TEAM

Board of Directors
Overall responsibility

Audit Committee
Independent assurance

Functional and business heads

Global Risk Management Committee
- Monitoring the implementation of RMF and effective risk mitigation
- Maintain a continuous oversight on ensuring that the RMF is effectively integrated into core functions

Central Risk Management (CRM) Team
- Develop and implement standard processes
- Collaborate with internal audit team to provide portfolio view of the risks and effective assurance on mitigation
- Implementation of RMF and smooth governance

Internal Audit
Collaborate with CRM to provide portfolio view of the risks and effective assurance on mitigation

UPL policies, procedures, methods and technology tools

Additionally, the Functional and Business Heads cascade the importance of risk management to the Risk Owners and Control Owners to implement the risk management process effectively. We promote a risk-aware culture by incorporating the risk management and performance management processes across our Company. We also formalised the role of Risk Champions to support businesses and strengthen the risk management focused skills and competencies within the businesses.

Key Risks and Mitigation Strategy

Risk	Description	Impact on	Mitigation Measures
Credit Risk	• Failure in dues payment or in meeting contractual obligation by a customer or counterparty can lead to financial loss	• Trade receivables • Revenue • Profitability • Cash flows • Goodwill	• Permissible and enforceable collaterals and guarantees • Review adherence to contractual obligations on a periodic basis • Credit insurance to cover default by customer
COVID-19 Risk	• Disruption in economic activity, which led to unprecedented market volatility	• Day-to-day business operations • Profitability • Revenue • Customer demand • Lack of raw material	• Proactive inventory, production and supply chain management • Revision in operational strategies to adapt to lockdown measures • Prepared plans and measures to ensure business continuity • Arranged alternatives for work that cannot be done remotely • Aligning operations in accordance with government's restrictions
Environmental Health and Safety risk (EHS)	• Changes in EHS rules and regulations • Explosion and fire hazards • Failure of mechanical, process safety and pollution control equipment • Contamination, chemical spills and other discharges or release of toxic or hazardous substances	• Reputation • Market share • Regulatory shut down • Imposition of fine/ penalty	• Staying updated on proposed changes in environmental laws • Proactive planning to adjust with the anticipated EHS changes • Ensure adequate allocation and upgradation of safety tools • Ensure regular checks for spills and chemical discharge • Develop robust awareness initiatives, foster EHS focused culture
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, digitisation, biotechnology, organic farming, online sale of crop protection products, and so on	• Revenues • Profitability • Market share • Reputation • Obsolescence • Sustainability • Day-to-day business operations	• Wide product portfolio to address varying customer needs globally • Broader and less concentrated customer base in every country • High intensity regular farmer and customer engagement to understand evolving requirements • Gathering relevant and top-notch market intelligence • Continuous investment in latest technologies • Partnerships with players with expertise in newer technologies

Risk	Description	Impact on	Mitigation Measures
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 value 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 at the front-end (ban on sale/reduced usage of products) as well as back-end (ban/restrictions on manufacturing)	• Revenues • Profitability • Market share • Reputation • Obsolescence • Sustainability • Day-to-day business operations	• Stay abreast of proposed changes in regulations • Organised planning to fine-tune and adjust product portfolio in accordance with anticipated changes
Product pricing	• Probable failure in pricing strategy • Competitors' pricing strategy may affect our margins	• Revenues • Profitability	• Reliable market intelligence and early warning systems to highlight competitor moves and industry trends • Invested in backward and forward integration in terms of manufacturing capabilities to improve margins • Keep a tight control on costs, with continuous cost monitoring and measurement • Consistent identification of areas for rationalising costs • Bulk volume purchases and better negotiation with suppliers helped us reduce raw material costs and improve bottom line • Maintaining adequate inventory levels of raw materials, work in progress and finished goods
Warehousing and 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 coverage levels

Risk	Description	Impact on	Mitigation Measures
Pest resistance	• Due to natural evolution and over-usage, pests are increasingly developing resistance to crop protection products • Instances of weeds and insects becoming resistant to proven formulations are on the rise	• Revenues • Profitability • Obsolescence • Sustainability	• Developing and launching differentiated and innovative products – combinations/ mixtures • Keep making tweaks to formulations to keep pest resistance at bay • High intensity and regular farmer and customer engagement to understand trends
Climatic conditions	• Frequent weather changes-drought, dry weather, and floods • Fluctuations in temperatures, excessive snow, and so on	• Revenues • Profitability	• Strong presence in key agricultural markets of 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 weather conditions
Foreign currency fluctuations	• Selling products in 140+ 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 and monitor mismatches in foreign currency exposures and taking appropriate steps to address these mismatches
Liquidity	• Capital market volatilities could impact our capital access	• 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 subsidiaries in the required currency
Tax	• With 204 subsidiaries globally, we adhere to local tax rules and regulations, subject to amendments. • There could be diverse interpretations of these 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 on key proposals for changes in local tax regulations
Cybersecurity	• Global operations lead to greater reliance on internet-based applications. This increases the risks of breaches in data privacy and integrity	• Database • Profitability • Day-to-day business operations • Reputation	• Consistent investments in latest IT security systems • Setting up of adequate firewalls and disaster recovery systems • Continuous event-monitoring and appropriate access authorisation levels

Internal control systems and their adequacy

Corporate efficiency, managerial effectiveness and asset safeguarding can be achieved 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	**Implementation of ERP enabling real-time access to mission-critical data**
Application of accounting policies in line with prescribed standards	**Periodic reviews of long-term plans and annual budgets**
Implementation of business intelligence to assess consumer preferences	**Constant monitoring of processes through routine audits**

Human resources

Our HR practices are aligned with global best practices and have created a talent base, which helps us reinforce leadership across countries. These practices enable us to seamlessly integrate professionals from 75 countries globally and invest in their formal and informal training as well as on-the-job learnings. We transferred key executives across geographies to enrich our international leadership pool. During the reporting year, we strengthened employee engagement across levels by providing an enriching work environment, changing job profile, and maintaining an ongoing dialogue with our people. We also prioritised employee safety amid the pandemic and as a company, we have among the highest employee retention rates in the industry.

10,000+
Employees as on 31st March 2021

14%
Share of women employees

Cautionary statement

The statements in the Management Discussion and Analysis section with regard to projections, estimates and expectations have been made as per the Company's expectations, anticipations and experience. 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 the pleasure of presenting a report on the business performance and the audited consolidated and standalone financial statements of your Company ("the Company" or "UPL") for the financial year ended March 31, 2021.

FINANCIAL RESULTS

₹ in crore

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Total Income	**38,952**	**35,860**	**11,458**	**10,147**
EBITDA	8,559	7,452	1,718	1,701
Depreciation/amortisation	2,173	2,012	977	2,230
Finance Cost	2,060	1,481	307	891
Exceptional items	238	623	15	10
Profit / (Loss) from Associates	42	3	-	-
Profit before tax	**4,181**	**2,764**	**434**	**538**
Provision for taxation				
Current tax	936	759	195	55
Adjustments of tax relating to earlier years	(105)	8	-	-
Deferred tax	(145)	(181)	19	22
Profit after tax	**3,495**	**2,178**	**220**	**461**
Minority interest	624	402	-	-
Net profit for the year	**2,871**	**1,776**	**220**	**461**

OPERATIONAL PERFORMANCE

Last year was enormously challenging – for the world and for UPL. Yet the UPL team operated safely and reliably, ran the business at optimal level following guidelines prescribed by the Government. UPL's achievement last year is a credit to everyone in the Company – from the leadership to the front lines. Together, we delivered the food security the world needs, and positioned the Company strongly for the future.

UPL anchored its growth by fast adapting to constantly changing situations, offering innovative products and solutions , tapping new growth markets and opportunities, differentiated products, bio-solutions, and collaborations across the food value chain. During the year, UPL's consolidated revenue from operations increased by 8% to ₹ 38,694 crores from ₹ 35,756 crores in FY 2020, and EBITDA increased by 15% to ₹ 8,559 crores from ₹ 7,452 crores in FY2020. During the year, the Company continued to deliver on its commitment to deleverage its balance sheet and reduce the Gross Debt by ₹ 5,039 crores and Net Debt by ₹ 3,140 crores. The Gross Debt and Net Debt as at March 31, 2021 stood at ₹ 23,774 crores and ₹ 18,922 crores respectively. For more details of the financial performance please refer to the Management Discussion and Analysis Report. The region-wise performances for FY2021 were as under:

Latin America:
Most Latin American countries delivered close to double-digit growth in FY2021 compared to last year. Brazil growth was ahead of the market, despite significant currency devaluation impact. Our Sucking Pest Platform (patented Sperto® and Perito®) and Soybean Resistance Management Platform (Unizeb® Gold, Tridium® and patented Unizeb® Glory) grew significantly in Brazil and other South American countries.

North America:
North American region saw a strong growth in Sustainable Solutions that drove improved margins. There was increased demand for Interline® (Glufosinate) due to robust ramp up of resistant-traits acres. However, the overall growth in the region was subdued on account of open orders due to supply constraints.

Europe:
In Europe, new product sales continued to outpace the impact of banned products. There was improved mix and profitability, driven by accelerated sales of differentiated & sustainable solutions. UPL saw a strong growth in Benelux, Germany, Poland, Italy and Iberia. We also achieved an excellent performance for Argos® in its first year of launch and for Fazor® in potatoes.

Rest of the World:
We saw a double-digit growth in South-East Asia, supported by the continued expansion of Glufosinate Solutions. There was an accelerated growth in China, driven by volume gains in UPL's branded sales and Yoloo acquisition. The growth in Africa was impacted due to COVID related challenges.

India:
India region witnessed the strongest growth supported by favorable weather with normal monsoons driving higher acreages in both seasons. We saw continued volume expansion of Ferio®, Sweep power®, and accelerated growth of sustainable solutions. Our wide array of new product launches ensured creation of complete portfolio for our farmers.

During the year, major fire took place at one of the plants of the Company at Jhagadia, Gujarat. The plant was shut as there was a planned annual Boiler Inspection. Due to fire the entire manufacturing site was shut for safety audit and to conduct Hazard and Operability analysis (HAZOP). Post the Safety Audit and extraordinary efforts taken by company employees the plants were started in end of April'21. The Company has lodged the necessary insurance claim. The Company is committed to put in place best global practices so that similar incidents are not repeated in future.

DIVIDEND

The Board has recommended a dividend of 500% i.e. ₹ 10/- per equity share of ₹ 2/- each for the financial year ended March 31, 2021, which if approved at the forthcoming Annual General Meeting ("AGM"), will be paid to all those equity shareholders of the Company whose names appear in the Register of Members and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited. The total dividend pay-out will amount to approx. ₹ 764 crore (including tax).

The dividend recommended is in line with the dividend distribution policy of the Company and the policy is available on the website of the Company at https://www.upl-ltd.com/investors/corporate-governance/policies.

History of dividends declared by the Company since FY2004 (i.e. since demerger) is available on the website of the Company at https://www.upl-ltd.com/investors/shareholder-center/dividend-history.

FINANCE

(a) Deposits
During FY2021, 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 note nos. 5, 6, 32 and 35 to the standalone financial statement.

(c) Changes in Paid-up Share Capital
During the year, no equity shares were issued and allotted. The paid-up share capital of the Company as at March 31, 2021 was ₹ 1,52,80,90,912/- comprising of 76,40,45,456 equity shares of face value ₹ 2/- each.

(d) Transfer to Reserves
The Company does not propose to transfer any amount to the reserves.

EMPLOYEE STOCK OPTION PLANS

The Company has no active Employee Stock Option Plans as on March 31, 2021 considering that there were no outstanding options under the Advanta India Limited Employees Stock Option and Shares Plan – 2006 and Advanta Employee Stock Option Plan – 2013. There are no plans to make any further grants under these schemes.

LISTING OF COMMERCIAL PAPERS:

The Company has issued Commercial Papers amounting to ₹ 2,200 crores during FY 2020-21. All the Commercial Papers were listed on National Stock Exchange of India Limited. The Company has not defaulted on any of its dues to the financial lenders.

The Company's borrowings are rated by CRISIL & CARE. The details of ratings are provided in the Corporate Governance Report which forms a part of this report.

ENVIRONMENT AND SUSTAINABILITY

At UPL, we have adopted a structured approach towards Sustainability. We have embedded a triple bottom-line approach in our sustainability strategy. Our stakeholders have always valued UPL's differentiated approach towards sustainability & environment due to the responsibility taken by us to minimize our environmental footprint and make our business greener and more efficient. We always try to embed sustainability in every aspect of our business through our environment friendly strategy and active monitoring of our environmental performance. With regard to this approach we have a strong risk management system through which we try to identify the potential risk for the environment through our business operations and vice-versa. We classify these risks into long term and short term, which helps us plan our strategy for the long-term and take active measures through established and defined targets.

In FY2021 UPL has joined the United Nations Global Compact to support sustainable development goals. We confirm that UPL supports the Ten Principles of the United Nations Global Compact, which are:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: The elimination of all forms of forced and compulsory labour.

Principle 5: The effective abolition of child labour.

Principle 6: The elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Some of our major achievements in FY2021 are summarized below:

- UPL included in Dow Jones Sustainability Yearbook 2021.
- ESG rating agency from Netherlands "Sustainalytics" rated UPL No. 1 among all Agro-Chemical companies globally in November 2020.
- Scored higher international sustainability rating (DJSI, FTSE & Sustainalytics) in all three dimensions (environment, social & governance) from industry average.
- UPL has signed commitment letter to set science-based targets to keep global temperature increase below 2°C.
- Achieved Zero Liquid Discharge in 60% of our operating plants globally.

NEW TECHNOLOGY ADOPTION

The Green Cell is a dedicated department looking globally into design & development of green sustainable technologies. A multidisciplinary team of Chemists, Microbiologists, Chemical, Bio-chemical & environmental engineers explores the possibilities of developing and identifying available technologies which can be adopted on sustainable basis for overall environmental improvement. Green Cell department also caters to the technical requirements of operations team for smooth and trouble-free operations of waste treatment technologies which are already put in place at our various manufacturing sites.

Recently Green Cell has indigenously developed a couple of technologies for treatment of some difficult liquid waste and piloted three technologies for establishing the techno-economic feasibility for implementation. Green Cell has also filed three patents in the area of liquid waste treatment. The gist of Green Cell's technological advancement is given below:

1. **Removal of colour and refractory COD from Pendimethalin effluent by advanced oxidation treatment:**
   UPL has developed in-house a treatment method for removing the colour and refractory COD from Pendimethalin effluent at its Jhagadia plant. Currently the process is implemented.

2. **A novel Fenton like reaction for wastewater treatment:**
   In general, iron-based advanced oxidation technologies, such as the Fenton process, are widely used for industrial wastewater treatment. However, this process uses chemicals such as Hydrogen peroxide which is hazardous and costly. In the proposed process the problems were addressed, and the scheme will be implemented.

3. **Vacuum Distillation Technology (VDT) Piloting:**
   VDT works on the principle of vacuum distillation combined with vapor compression technology using a specialized compressor which makes it energy efficient and economical to treat and dispose industrial effluent.

4. **Ozonation Piloting:**
   Chemically, ozone is the triatomic, allotropic form of oxygen. Ozone is a strong oxidant that can be used in the potabilization of surface or ground water as well as in wastewater treatment to remove microorganisms, inorganic ions and organic pollutants.

5. **Electrooxidation Piloting:**
   Electrochemical oxidation is considered a robust technology and is easy to use, for those reasons, it has been used for a diversity of wastewater treatments.

6. **Patent Applications:**
   We have applied for 3 Patents on green sustainable technologies & process:
   - Title: Pendimethalin: Novel effluent treatment process (in-situ calcium hypo treatment) and scale up for complex effluents
   - Title: A novel process for elimination of thermogenesis in ETP bioreactors and its efficiency improvement
   - Title: A novel method for wastewater treatment

RESEARCH AND DEVELOPMENT

UPL has several Research and Development Centres almost in every continent. Facilities at some of these places have been further strengthened by providing extra laboratory space, equipment / instrument, pilot plant and skilled manpower. Company's mission of "Change the game – to make every single food product more sustainable" is being accomplished as these Centres work hard and contribute immensely to achieve it.

Company owns big assets in terms of qualified, talented, and dedicated scientific community working in its Research and Development Centres. The aim of these scientists is to develop crop protection products, processes and solutions that are sustainable, cost-effective, safe and affordable for the end user, and most importantly are environment friendly.

Atom economy and principles of green chemistry are kept in mind while developing the products and processes at the Research and Development Centres. Energy saving resulting into carbon footprint reduction is one of the important initiatives of research activities. Before launching the products and implementing the processes on a commercial scale, they are evaluated for hazard and safety, at all stages of development.

Innovative combination products are developed at the Research and Development Centres and commercialised and marketed worldwide to offer effective pest management solutions. Before the products are introduced in the market, they are tested for chemical properties, toxicity, impurity profile, stability and packaging compatibility, bio-efficacy, residue and so on. The required data is collected/generated in the Research and Development Centres followed by data generation at a GLP laboratory which is submitted to the regulatory authority of the respective country.

As per Company's plan to produce Specialty Chemicals and Industrial Chemicals, processes are developed in the Research and Development Centres which are industrially viable and safe for large-scale production, at the same time economical. Creation of Intellectual Property (IP) is very important for the innovative products and processes developed by the Research and Development Centres and due care is taken to create the IP by applying for patents for products and processes. Patents are obtained in countries of interest and appropriate measures are taken to safeguard the IP. Over and above this, IP of others is respected.

For R&D Expenditure incurred during the year, kindly refer the Annexure on Conservation of Energy, Technology Absorption, Adaption and Foreign Earnings and Outgo.

CORPORATE SOCIAL RESPONSIBILITY

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

At UPL, we believe in a holistic and sustainable growth of society. Our commitment and interventions cater to all the segment of the society and have been classified in 4 focus areas: (a) Institution of excellence; (b) Sustainable Livelihood; (c) Nature Conservation and (d) Local and National Need.

Our CSR values are shared across the globe and development initiatives are being undertaken in Argentina, Brazil, Belgium, Colombia, Côte d'Ivoire, India, Kenya, Mexico & UK and implementing & supporting more than 80 development interventions benefiting more than 70 communities across continents. For us the entire world is our home. Some of the initiatives globally are as under:

- One Billion Hearts Initiative at Côte d'Ivoire with The Heart Fund to provide universal access to cardiovascular health for 1 billion people by 2030.
- Life Association distributed over 1,400 food baskets to the families of young people enrolled in the Campinas-SP and Sorriso-MT Program.
- Collaboration with the FIFA Foundation to promote and raise awareness about sustainable development in agriculture and education in society through football.
- Partnership with Oxford India Centre for Sustainable Development (OICSD) at Somerville College, University of Oxford, UK to advance education on sustainability with a greater focus on small-holder farmers in the developing world.
- Establishing Centre of Excellence (COE) on process safety management.
- Backward and forward linkages for farmers through forming, nurturing and strengthening of Farmers Producer Company.
- A complementary education programme with the "Life Association", creating opportunities and conditions for young people in their dream to build a better Brazil.
- My Super Ward, a citizen centric application integrating urban citizens of India with the governance of their locality.
- Building capacities and supporting civil society organizations in India.
- United Against Child Labour project in India – A proactive initiative to eliminate all forms of child labour in seed supplier farms and to ensure education for all children.
- Global Parli & Vandri Cluster in India to transform rural village through revival and empowerment.
- Working with Agri Farm widows in India to provide sustainable livelihood through skilling, micro-enterprise, and market linkages.
- Supporting Special Care Centre in India 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.
- Supporting "Project EkalVidyalaya" in India which aims at creating one teacher schools in the remotest parts of the country.
- In Piedra Blanca ejido, Mexico for students to take their classes remotely from their homes, 26 Tablets "LENOVO 7" were donated along with placement of a receiving antenna for the satellite internet service, which will allow quick and efficient access to their online classes. This majorly impacts the kindergarten and secondary school.
- In Mexico and Cuba, through multiple interventions (30 plus) and a spend of more than 10 million pesos, an impact was created in the lives of more than 20,000 people covering more than 600 farmer families.
- We Are United (WAU), a well-structured employee volunteering programme, across different countries through which employees get an opportunity to use their skill, talent, and passion for the benefit of the community.

As the world was battling the COVID-19 pandemic last year in March 2020, UPL's COVID response team went into an overdrive worldwide, immediately. In India, UPL donated nearly USD 10 million and supplied USD 3.3 million worth of Personal Protective Equipment (PPEs) to external stakeholders. We produced more than 6,000 litres of sanitisers and disinfectant solutions for police and hospitals, and provided spray equipment to disinfect public areas, using 1.15 million litres of sanitising solution. Protective gears and safety equipment were provided in Cuba, Colombia, Indonesia, across Europe and North America. Other initiatives, like awareness drives were held in Vietnam and Ivory Coast. Food supplies were donated to the underprivileged in Costa Rica, Cambodia, and Cuba.

UPL also began country specific initiatives such as a 24-hour telephone support for all families and young people to guide and create awareness on staying at home and sanitization, and distribution of Vitamin D to families and young people through a partnership with the Equaliv laboratory in Brazil. In Colombia, UPL focused on marginalized people, the elderly, and mothers to provide help and food supplies. In Costa Rica and Canada, UPL purchased farmers' produce, which was then in turn donated to the needy.

As the second, deadlier wave of COVID hit India in 2021, we converted our captive nitrogen plants into oxygen units which were being skid-mounted and delivered directly to hospitals in India during a nationwide shortage of oxygen.

For detailed report on Corporate Social Responsibility, please refer to the section 'Social Initiatives' in the annual report and Annexure to this 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 is presented, on a quarterly basis, an update on the whistleblower 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.

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/corporate-governance/policies.

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 Compliance 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 to this policy and keep the workplace free from biases and prejudices. The Internal Complaints Committee has not received any formal complaint during FY2020-21.

All employees are mandated to attend a classroom training and confirm their adherence to the rules as mentioned on Company's website. During FY2020-21, a refresher POSH workshop was conducted for 35 Committee members online for 2 days by Company's external partners and 4699 employees, who acknowledged to comply with the POSH policy. During the year, UPL also tied up with an external partner to launch an extensive e-training on POSH, Code of Conduct and Anti Bribery across all markets, in 7 global language and mandated for all the employees as well as new joinees.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls. The Company has adopted policies and procedures covering all major financial and operating functions. These controls have been designed to provide 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 unauthorized 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, IT general controls and compliance controls. In addition, the Company has also appointed reputed external audit firms for carrying out the internal audit reviews. 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 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.

The Company has also implemented a Compliance tool which ensures adequate and effective regulatory compliances monitoring with respect to the provisions of all applicable laws to the Company.

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

In today's ever-evolving dynamic business landscape, risks are integral to the business operations. The Company has developed and implemented a robust Risk Management framework across geographies and business functions. Benchmarked with leading international risk management standards such as ISO 31000 and Committee of Sponsoring Organisation of the Treadway Commission ('COSO'), our risk management framework enables us to manage uncertainties that might impact our strategic business objectives while continuously harnessing the opportunities. The risk management framework encourages businesses to identify relevant risks and opportunities in line with the short-term and long-term strategic business plans. The risk management framework intends to clarify the roles and responsibilities, principles, standards, methods, tools and training measures that the Company has adopted with an objective of building strong risk-aware culture.

The Board of Directors of UPL holds the overall responsibility for development and implementation of the Company's risk management policy. Pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") a Board appointed Risk Management Committee, consisting of Mr. Rajnikant Shroff, Chairman, Mr. Arun Ashar – Director – Finance, Dr. Vasant Gandhi, Independent Director, Mr. Anand Vora, Global Chief Financial Officer and Mr. Raj Tiwari, Global Director – SCM has been formulated and institutionalised. The Risk Management Committee conducts integrated risks and performance reviews along with the Senior Executives engaged in different functions across geographies. The Committee reviews identified risks, the effectiveness of the developed mitigation plans to provide feedback and guidance on emerging risks. The Committee also facilitates provision of adequate resources for businesses to effectively mitigate critical risks and ensure the business value is always protected and enhanced at all times. The Committee also maintains a continuous oversight to ensure the risk management framework is effectively integrated with the core functions such as Strategic Business Planning and Capital Allocation and assurance providing functions such as Internal Audit, Internal Controls, Compliance Management etc. to enhance the business resiliency and provide a portfolio view of the risks.

The Company has also appointed a dedicated Enterprise Risk Management (ERM) team and formally identified Risk Champions across functions and geographies to ensure effective deployment of ERM process across the Company. The Company has developed and implemented the combination of top-down and bottom-up approach to identify and mitigate both, business unit/functional level risks and macro strategic and external risks emanating from business strategies. Over the years, the risk management practices implemented by UPL has evolved significantly.

For more details on the risks and their mitigation plans, please refer to Management Discussion and Analysis report in this annual report. The Risk Management Policy of the Company is available on the website at https://www.upl-ltd.com/investors/corporate-governance/policies.

SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES

The Company has several 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 the local government body of each country to a local entity established in that country.

As on March 31, 2021 there were 204 subsidiaries across the globe. Most of these 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 such as 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. Subsidiary Financials are available on Company's website at https://www.upl-ltd.com/investors/shareholder-center/subsidiary-financials.

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

(I) SUBSIDIARY COMPANIES:	Country
Additions during the year:	
Acquisitions	
Laoting Yoloo Bio-Technology Co. Ltd	China
Anhui Yoloo Hexie Plant Protection Co. Ltd.	China
Ingeagro S.A	Chile
Newly incorporated:	
UPL Mauritius Limited	Mauritius
Advanta Biotech General Trading Ltd	UAE
Hannaford Nurture Farm Exchange Pty Ltd	Australia
Federation of Agri-Value Chain, Manufacturers and Exporters (Viz FAME)	India
UPL Zambia Limited	Zambia
Cessations during the year:	
Cessations:	
Bioquim, Sociedad Anónima	Costa Rica
Arysta LifeScience Kiev LLC	Ukraine
Agriphar SDN BHD	Malaysia
Chemtura (Thailand) Ltd	Thailand
MacDermid (Shanghai) Chemical Ltd, CHINA	China
Canegrass LLC, USA	USA
UPI Finance LLC	USA
Agriphar Poland Sp. Zoo	Poland
Arysta LifeScience SPC, LLC	USA
Dutch Agricultural Investment Partners LLC	Netherlands
Arysta LifeScience Investments LLC	USA
Agrodan, ApS	Denmark
UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited)	Korea
Anhui Yoloo Hexie Plant Protection Co. Ltd.	China
Mergers:	
Arysta LifeScience Argentina S.A.	Argentina
UPL New Zealand Limited (Formerly known as United Phosphorus Limited, New Zealand)	New Zealand
Tecno Extractos Vegetales, S.A. de C.V.	Mexico
Bioenzymas S.A. de C.V.	Mexico
Agroquimicos y Semillas, S.A. de C.V.	Mexico
Procultivos, Sociedad Anónim	Costa Rica
Inversiones Lapislazuli Marino, Sociedad Anónima	Costa Rica
Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Turkey
Neo-Fog S.A.	France
UPL Agricultural Solutions Netherlands BV	Netherlands
Arysta Canada BC Inc.	Canada
Arysta LifeScience Mexico Holding S.A.de C.V	Mexico
Natural Plant Protection S.A.S	France
Arysta LifeScience Holdings France SAS	France
Arysta LifeScience Technology BV	Netherlands
(II) ASSOCIATE COMPANIES:	
Additions:	
Eswatini Agricultural Supplies Limited	South Africa
Cessations:	
CGNS Limited	UK

MATERIAL SUBSIDIARY

As on March 31, 2021, the Company has 7 unlisted material subsidiaries as per the parameters laid down under SEBI Listing Regulations. These material subsidiary companies are: UPL Corporation Limited, Mauritius, UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A., Arysta Lifescience, UK JPY Limited, UPL Agricultural Solutions Holdings BV, UPL NA Inc., Arysta Lifescience Inc., UPL Agrosolutions Canada Inc. None of these subsidiaries have sold, disposed off or leased more than 20% of its assets during the current year. The Company's policy on material subsidiaries can be accessed at https://www.upl-ltd.com/investors/corporate-governance/policies.

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 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. 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 at https://www.upl-ltd.com/investors/corporate-governance/policies.

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 are no significant and material orders 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 2021-22 on a remuneration of ₹ 9,50,000/- (Rupees Nine Lakhs and Fifty Thousand only). 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 approval / ratification. Accordingly, a resolution seeking Member's approval 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 2019-20 was filed with the Ministry of Corporate Affairs on August 8, 2020. The Cost Audit Report for the financial year 2020-21 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 2020-21. The Report of Secretarial Auditor is annexed to this report. The report of Secretarial Auditor for the financial year 2020-21 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 2021-22. 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, Mr. Arun Ashar (DIN: 00192088) Director of the Company retires by rotation at the ensuing AGM of the Company. An ordinary resolution in this regard has been proposed for approval of the members. The information of Mr. Arun Ashar seeking re-appointment, as required pursuant to Regulation 36(3) of 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 37th AGM of the Company.

During the year, Mrs. Sandra Shroff stepped down as Director of the Company on August 31, 2020 due to personal commitments. The Board places on record its sincere appreciation for enormous contributions made by Mrs. Sandra Shroff and the unstinting support and guidance provided by her during her long association as Director of the Company.

All the independent directors of the Company as on March 31, 2021 have given requisite declarations stating that they meet the criteria of independence laid down under section 149(6) of the Act and Regulation 16(b) of SEBI Listing Regulations. 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 are registered on the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

Ms. Usha Rao Monari stepped down as Director of the Company following her appointment at UNDP (United Nations Development Programme) as Under Secretary-General and Associate Administrator. As per the protocol at UNDP it is not allowed to hold office/place of profit in any governmental/private organization, given concerns related to potential conflict of interest. The resignation is effective May 13, 2021. The Board places on record its deepest gratitude for her contribution.

As on March 31, 2021, 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 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 satisfaction on overall functioning of the Board, various committees as well as 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 Board also discussed the report of performance evaluation and its outcome.

Committees of Board, Number of Meetings of the Board and Board Committees
The Board 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 five 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.

Further, all our Meetings were conducted through video conferencing as authorised by Ministry of Corporate Affairs vide its Notification dated March 19, 2020 and December 30, 2020.

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 a very important role to play in ensuring the highest standards of corporate governance. The Chairman of the Board and other Directors form the broad policies and ensure their implementation in the best interests of the Company.

The criteria for selection of directors, senior management and KMP inter-alia include qualifications, experience, expertise, integrity, independence of the directors and board diversity.

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 independent directors are paid commission on uniform basis. The Independent directors are not entitled to any stock options.

The remuneration to the Managing Director and other Executive Director consists 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 and Executive Compensation Policy are available on the website of the Company at https://www.upl-ltd.com/investors/corporate-governance/policies.

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 at https://www.upl-ltd.com/investors/corporate-governance/policies.

HUMAN RESOURCES

The Company continuously strives to be the best globally in all the domains of its operations and believes that its employees are the core foundation of this vision. The HR strategy is committed to creating an engaging workforce and an inspirational leadership that continuously powers this vision.

As on March 31, 2021, the Company, including subsidiaries, had 5,860 employees in India and 12,258 employees globally.

Key initiatives undertaken for Employees

Continuous Performance
The implementation of myUPL (HRIS) platform helped in focusing on goals and targeting achievements. Mid and Annual appraisals further strengthened our performance-based culture. The system helped in calibrations, budget planning and communicating online, providing seamless experience across all geographies.

Learning (Open Intel)
Learning has always been a focus for our organization to improve performance of employees including new product trainings, leadership, self-improvement and behavioral courses. To ensure employees do not miss out on learning opportunities while working from home during the pandemic, UPL launched "Open Intel". A platform that has a repository of more than 5000 modules which allows employees to select courses in line with business requirements and undergo certifications. In the first year of its launch, Open Intel has 6432 unique users, 5698 active learners with 88.58% adoption rate and over 2.6 million+ views.

Employee Wellness
In FY2020-21, major activities were undertaken and multiple initiatives were launched to respond to COVID 19 in line with UPL values of Always Human, Agile and Nothing is Impossible:

- Introduced a Work From Home policy
- Conducted Virtual trainings to work effectively from home
- Tied up with external partners on employee wellbeing including online medical consultation and psychological counselling
- Collaborated with health agencies to provide 24/7 health care to employees and their families
- Provided medical support including home quarantine reimbursements
- Held Vaccination drives and vaccination reimbursement, as per need and prevailing local laws and guidelines

OpenAg Awards
UPL, post-Arysta is anchored on OpenAg as its rallying point. OpenAg aims at addressing farmer resilience and sustainability through its six values and performance ambitions. To celebrate individuals who live these values, OpenAg Awards was launched in FY2021 having four categories: "Living the UPL Values", "Best Performing Business Unit", "Best Manufacturing Unit" and "Best Innovation".

Way Forward

a) **Role based competencies / Talent Management**
To bring legacy UPL and legacy Arysta employees to a common organization architecture by assigning all employees a new global job level in an integrated organization. To use this organization architecture as part of recruitment and promotion processes, a new talent strategy will be launched. One of the first projects will be a new competency model for UPL.

b) **HR Process Outsourcing**
At UPL, we believe that employee experience is key to our success. To ensure that employee experience is delivered as a six-sigma process, we are going to build a robust global process outsourcing center to manage key HR processes. It will include Recruitment & Onboarding, Employee Data Management, Query Management, Learning & Development, Performance and Goal Management, Reporting and Payroll and Benefits.

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

In terms of Section 134(3)(c) of the Companies Act, 2013, directors confirm that:

a) In the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.

b) 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, 2021 and of the profit of the Company for the year ended on that date.

c) 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) The annual financial statements have been prepared on a going concern basis.

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

f) 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 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 a 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 statements are prepared for the year 2020-21 in compliance with the provisions of the Companies Act, applicable accounting standards and as prescribed under the SEBI Listing Regulations. The consolidated statements 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 the draft Annual Return as on March 31, 2021 has been placed on the website of the Company and the web link of such Annual Return is https://www.upl-ltd.com/investors/financial-results-and-reports/annual-reports.

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.

OTHER DISCLOSURES

1. There was no change in the nature of business of the Company as stipulated under sub-rule 5(ii) of Rule 8 of Companies (Accounts) Rules, 2014.

2. There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2020-21.

3. There was no instance of one-time settlement with any Bank or Financial Institution.

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 Board'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 Devidas Shroff
Chairman & Managing Director
(DIN: 00180810)

Mumbai
May 12, 2021

ANNEXURE 1 TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21

1 BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The CSR policy of UPL aims to identify and support all projects/programs undertaken as a part of the organisation's Corporate Social Responsibilities within the framework of Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy will serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the policy.

UPL will undertake projects/programs in line with Schedule VII of the Act. All 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. Before undertaking any program, a sound assessment of the scope, need, projected benefits are carried out. Our commitment and interventions cater to all the segments of the society and are classified into 4 focus areas, as under:

A. Institution of excellence

UPL and UPL promoted non-profit organizations have built institutions of excellence to raise responsible and skilled human capital through academic excellence, holistic growth and vocational and life skills.

B. Sustainable Livelihood

An integrated approach that engrosses and covers all the major three marginally oppressed sections of the society which can be enumerated as women, dropout youths and marginal farmers. We are focused on improving the quality of life of these sections through:

- Agriculture Development
- Women Empowerment & Entrepreneurship
- Skill Development

C. Nature Conservation

Focus on protecting & conserving nature and environment.

D. Local and National Need

GramPragati - Specific local area needs around our factory locations

United Bharat - National need, which also includes relief or rebuild arising from natural calamities

2 COMPOSITION OF CSR COMMITTEE

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sandra Shroff (upto August 31, 2020)	Chairperson	2	2
2	Vikram Shroff	Member and re-designated as Chairman w.e.f. October 1, 2020	3	3
3	Pradeep Goyal	Member	3	3
4	Arun Ashar	Member (w.e.f. October 1, 2020)	1	1

3 WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

The web-link of CSR Policy https://www.upl-ltd.com/downloads/UPL_CSR_Policy.pdf

4 DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT)

Impact Assessment will be undertaken in the year 2021-2022 as required.

5 DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

During the previous FY19-20, the Company spent ₹ 16 crore on CSR as against required spend of ₹ 9 crore i.e. ₹ 7 crore in excess. However, the Company has not set-off this excess spend with regards to CSR spend for FY20-21.

6 AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5).

₹ 517 crores

7 (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5)

₹ 10.34 crores

(B) SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMMES OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS -

Nil

(C) AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY -

Nil

(D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (7A+7B-7C).

₹ 10.34 crores

8 (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
₹ 99.66 crores	N.A	N.A	N.A	N.A	N.A

8 (B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
A.	**Institution of excellence**											
1	**Shroff S. R. Rotary Institute of Chemical Technology (SRICT)** an institution specializing in chemical technology to provide the specific needs of the Chemical Industry in Gujarat. http://www.srict.in/	(iii) Promotion of Education	Yes	Gujarat	Bharuch	3 Years	6,30,00,000	6,25,39,956	-	No	Ankleshwar Rotary Education Society	CSR00002365
2	**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/	(iii) Promotion of Education	Yes	Gujarat	Valsad	3 Years	50,00,000	50,00,000	-	No	GNYAN DHAM VAPI CHARITABLE TRUST	CSR00006789
3	**Eklavya Model Residential Schools (EMRS)** under PPP to provide quality education to meritorious tribal children.	(iii) Promotion of Education	No	Gujarat	Dangs	3 Years	50,00,000	50,00,000	-	No	GNYAN DHAM VAPI CHARITABLE TRUST	CSR00006789
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.	(iii) Promotion of Education	Yes	Gujarat	Valsad	3 Years	4,00,00,000	2,25,00,000	-	No	GNYAN DHAM VAPI CHARITABLE TRUST	CSR00006789
B.	**Sustainable Livelihood**											
5	**UPL Pragati** to 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 operationalizing under UPL Pragati for the sustainable livelihood has three pillars. 1. Agriculture development through UPL KhedutPragati 2. Skill development through UPL Niyojaniy Farm Mechanisation training through Adarsh KrishiNiyojaniy 3. Women SHG & Entrepreneurship through UPL Udyamita. http://srsat.in/	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (vi) ensuring environmental sustainability; (vii) employment enhancing vocational skills; (x) Rural Development / Slum Development	Yes	Gujarat	Valsad, Bharuch, Dangs, Panchmahals	3 +1 Years	1,79,13,000	87,57,865	-	No	S. R. Shroff Aajivika Trust (SRSAT)	CSR00006787
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 intitiatives 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) Eco Clubs in community school. http://srsat.in/	(ii) promotion of education; (vi) ensuring environmental sustainability;	No	Gujarat	Valsad Bharuch, Dangs, Kheda, Panchmahals	3 +1 Years	1,86,19,300	65,82,857	-	No	S. R. Shroff Aajivika Trust (SRSAT)	CSR00006787
D.	**Local and National Area Need**											
7	**GramPragati (Local Area Need) -** Development Support to community around UPL location. Focused initiatives are 1) UPL Suraksha Abhiyaan 2) UPL School Sanitation 3) Support to Seva Yagna Samiti, Bharuch for Neonatal Care. 4) COVID Relief Work in local area During Lock Down (Around Factory Locations)	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (x) Rural Development / Slum Development	Yes	Gujarat	Valsad Bharuch, Dangs, Kheda, Panchmahals	3 +1 Years	3,35,00,000	3,31,05,168	-	No	S. R. Shroff Aajivika Trust (SRSAT)	CSR00006787

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
8	**United Bharat (National Area Need) -** Development Support for National cause and to organisation such as 1) COVID Relief Work (As National need, which include relief and support to various institutions to Fight this epidemic) 2) UPL Unnati, Mumbai 3) United Against Child Labour (UACL) : To reduce Child Labour 4) Global Parli Project, Marathwada (Transform rural village through revival and empowerment) 5) Vandri Cluster development 6) Ekatrita Bhavisya, Vidharbha 7) Save the Children India (SCI) to support Special Care Centre 8) Project "Asptal" – Mobile Medical Service at Hamirpur, Himachal Pradesh 9) Friends of Tribal Society (Promote Quality of education for special children) 10) Other Projects to support for national Cause	(i) eradicating extreme hunger and poverty; (ii) promotion of education; (iii) promoting gender equality and empowering women; (vi) ensuring environmental sustainability; (vii) employment enhancing vocational skills; (x) Rural Development / Slum Development	No	Gujarat, Maharastra, Telengana, Himachal Pradesh, Rajasthan	Gujarat (Valsad Bharuch, Dangs, Kheda, Panchmahals), Maharashtra, (Mumbai, Vidharbha, Marathwada, Beed, Palghar) HP (Hamirpur), Rajasthan (Barmer)	3 Years	9,35,00,000	9,31,42,000	-	No	Through institutions mentioned in column 2	
	TOTAL						**27,65,32,300**	**23,66,27,846**				

8 (C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Donation to "PM Care Fund" for COVID-19 Pandamic	(xii) disaster management, including relief, rehabilitation and reconstruction activities	No	N.A	N.A	75,00,00,000	Yes	N.A.	N.A.
2	Donation to "Mumbai Police Fund" for COVID-19 Pandamic	(xii) disaster management, including relief, rehabilitation and reconstruction activities	No	Maharashtra	Mumbai	1,00,00,000	Yes	N.A.	N.A.
TOTAL						**76,00,00,000**			

8 (D) **AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS:** Nil

(E) **AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE:** Not Applicable

(F) **TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B+8C+8D+8E)**

	Amount (in ₹)
8.b	23,66,27,846
8.c	76,00,00,000
8.d	-
8.e	-
Total	**99,66,27,846**

(G) **EXCESS AMOUNT FOR SET OFF, IF ANY:** Not Applicable

9 (A) **DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:**

Not Applicable

(B) **DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S):**

Not Applicable

10 **IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR:**

Not Applicable

11 **SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):**

Not Applicable

May 12, 2021

Rajnikant Devidas Shroff
Chairman and Managing Director
(DIN: 00180810)

Vikram Shroff
Chairman - CSR Committee
(DIN: 00191472)

ANNEXURE 2 TO BOARD'S REPORT

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 remuneration of each Director to the median remuneration of employees of the Company for the financial year 2020-21 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21:

Name	Designation	Ratio to median remuneration	% increase in remuneration in FY2021
Mr. Rajnikant D Shroff	Chairman and Managing Director	240x	5%
Mr. Arun Ashar	Director – Finance	53x	3%
Mr. Pradeep Goyal	Independent Director	4x	26%
Dr. Reena Ramachandran	Independent Director	3x	1%
Mr. Hardeep Singh	Independent Director	4x	5%
Dr. Vasant Gandhi	Independent Director	3x	10%
Ms. Usha Rao Monari	Independent Director	3x	NA^
Mr. Anand Vora	Global Chief Financial Officer	60x	16%^^
Mr. Sandeep Deshmukh	Company Secretary and Compliance Officer	19x	NA^

^ The remuneration paid in FY 19-20 was for part of the year. Therefore, percentage increase is not comparable, hence not stated.

^^ Increase in remuneration is stated on a comparable basis after adjusting one-time special long-term performance incentive paid to the Global Chief Financial Officer during FY 19-20.

2. The change in remuneration paid to independent directors is on account of sitting fees amount which is dependent upon number of meetings held and attended.
3. The percentage change in the median remuneration for FY20-21 was 3%.
4. Number of permanent employees on the rolls of the Company as on March 31, 2021 were 5,208
5. Average annual increase to the employees excluding senior managerial personnel in FY20-21 was 7.7%. Further, average annual increase for the senior managerial personnel was 4%.
6. The remuneration is in line with the Nomination and Remuneration Policy of the Group.

Additional information about remuneration drawn by Directors from subsidiaries
Mr. Jai Shroff, Global CEO and Mr. Vikram Shroff, Director do not draw remuneration from the Company. They are foreign citizens and residents out of India and accordingly receive remuneration from overseas subsidiaries of the Group. The percentage increase in the remuneration paid to them in FY20-21 was 3.52% for Mr. Jai Shroff and 7.05% for Mr. Vikram Shroff. Details of their remuneration are given in Corporate Governance section of this Annual Report. The Company has 7,050 permanent employees on the rolls of global subsidiaries in addition to those in employment of UPL Limited as stated above.

On behalf of the Board of Directors

Mumbai
May 12, 2021

Rajnikant Devidas Shroff
Chairman & Managing Director
(DIN: 00180810)

ANNEXURE 3 TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

For the financial year ended March 31, 2021

[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 our 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 authorized 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, 2021 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, 2021 according to the provisions of:

(1) The Companies Act, 2013 (the Act) the Rules made there under and notifications and guidelines issued by the Ministry of Corporate Affairs (MCA);

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

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

(4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under 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 Obligations and Disclosure Requirements) Regulations, 2015.

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

6) Other Laws applicable to the Company;

a) Narcotic Drugs and Psychotropic Substances Act, 1985

b) The Insecticides Act, 1968 and Rules made there under

c) Factories Act, 1948, Fertilizer (Control) Order, 1985 and Rules made there under

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 made thereunder

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

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

u) Legal Metrology Act, 2009

v) Industrial Disputes Act, 1947 and Rules made thereunder

w) Indian Contract Act, 1872

x) Environment Protection Act, 1986 and other environmental laws

y) Payment of Gratuity Act, 1972

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

aa) The States Shops and Establishments Act

bb) Apprentice Act 1961 and Rules made thereunder

cc) The Employees Deposit Linked Insurance Scheme 1976

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

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

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

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

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

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

jj) The Chemical Weapon Convention Act 2000, and the Rules made thereunder

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

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

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

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

We have also examined compliance with the applicable clauses of the following:

a) 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board 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.

All the decisions are carried through unanimously and there were no dissenting members' views which were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company 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: F008663C000245251

Bhaskar Upadhyay
Partner
FCS: 8663
CP. No: 9625

Date: May 5, 2021
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.

For N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
UDIN: F008663C000245251

Bhaskar Upadhyay
Partner
FCS: 8663
CP. No. 9625

Date: May 5, 2021
Place: Mumbai

ANNEXURE 4 TO BOARD'S REPORT

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 DURING THE YEAR 2020-21

i. The steps taken or impact on conservation of energy:

The Company has a 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.

Major Energy saving initiatives are mentioned below:

1. Hot water based VAM – Waste heat converted to Chilled Water
2. Improved condensate recovery percentage through Condensate Contamination Detection System
3. Chiller performance improvement by changing the utility from brine to solvent
4. Reduced Steam & Ch. Water load on column by optimizing reflux ratio
5. Installed multi-stage variable thermo-compressor to recover flash steam
6. Pumping performance improved by segregating low & high head loads
7. Installed Green Fuel (Briquette) fired boiler
8. Replaced conventional fans with Epoxy coated GFRP fan for cooling towers
9. Heat pinch across the SPD
10. VFD installed for Secondary Air Fan in Power Plant
11. Power Purchase from Renewable sources. (27 MW from Solar & Wind)
12. Installed Back Pressure Turbine at multilocation to utilize kinetic energy, in place of steam PRV station.

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

1. To purchase additional Renewable power purchase and achieve total 20 MWe.
2. To propose installation of 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 equipment:

1. A total of ₹ 7 crores 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" and FICCI Awarded UPL for "Excellence in Energy Usage".

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION DURING THE YEAR 2020-21

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

Maxpro Department:

1. Yield improvements through advanced separation techniques & converting batch to continuous mode to reduce the cost of COGM.
2. New plant to cater the intermediate requirement is established to reduce the sourcing cost.
3. New advanced flow reactor technology introduction for various chemistries.
4. Continuous reactor for the solid washing and drying for the heat sensitive products.
5. Capacity improvement for the various products from 10 to 80% through process intensification.

6. Production of three specialty chemicals on a commercial scale was started and products with desired quality and yield are being produced.
7. Implemented a novel process for converting residue to generate raw material resulted in mole economy improvement of more than 98%.
8. Dry HCl technology implemented to recycle the spent acid.
9. Ozonation Technology adapted for Effluent treatment, Quality improvement of products.
10. Processes for several raw material manufacturing were developed successfully and commercialization.
11. Processes were developed for the intermediates of at least 5 technical as an initiative to be self-dependent.
12. 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.
13. Four processes were screened for patent application.

Research & Development:

1. Production of two important fungicide active ingredients were started on commercial scale for manufacture and commercialization of combination products.
2. A process for a key intermediate for an insecticide was commercialized with desired yield and quality
3. Manufacturing process for a soil amendment material was improved to enhance performance of the product.
4. Production of a specialty chemical was started on a commercial scale of manufacture.
5. Many new pesticide formulations and combination products were commercialized for launch both in the domestic and international markets.
6. Processes for several active ingredients were developed successfully at Research and Development Centres for future commercialization.
7. Many formulations of various active ingredients and their combinations were successfully developed in the Research and Development Centres for future introduction.
8. Processes were developed for the intermediates of more than five technical as an initiative to be self-dependent
9. New process for a defoliant was developed to improve safety and stability of the product.
10. Quality improvement of many actives and formulation products was effectively achieved and implemented.
11. Collaborative work with external agencies such as Universities, Research Institutes of international repute and scientists in their individual capacity have been used effectively to bring in innovations. New technology implementation at product and process stages, and upgradation of the existing technologies have been achieved with the help of these collaborations.

ii. Benefits derived by the Company:

1. Dependency on the import material reduced as well as cost of source material reduced.
2. Solvent consumption reduced by ~ 3100 MT, Spent HCl reduction by 2400 KLA by implementing dry HCl Technology.
3. Miniaturization of equipment has resulted in WIP reduction and manual intervention reduction by over 98%.
4. Same footprint was used for capacity improvement by 50%, resulted in reduced COGM and cater market demand.
5. Yield improvement in the range of 1% to 5% resulted in reduction in COGM of key molecules.
6. Ozonation technology helps to achieve sustainability for Co-product and effluent quality & compliance.
7. Accomplishment of process development for several active ingredients with backward integration will be helpful in the future implementation in the plants at commercial scale.
8. Industrial process development and execution will result in expansion in revenue.
9. Production of Industrial chemicals and Specialty Chemicals will result in more revenue generation.
10. Patent protection for the products and processes will help in reduced competition.

iii. Research and development (R&D):

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

1. Innovations in products and processes resulting in creation of IP.
2. Development of environmentally friendly formulations and processes for the active ingredients and intermediates.
3. Development of cost-effective formulation products and processes for active ingredients.
4. Development of safe and industrially viable processes for specialty and industrial chemicals
5. Increased self-dependency by development processes with backward integration for active ingredients
6. Improvement in quality of products and processes, resulting in reduced cost of manufacture, reduced waste, and improved safety profile for the end user
7. Data generation for registration of products globally

b) Benefits derived by the company:

1. New products introduced globally, resulting in business expansion
2. Introduction of a new fungicide molecule, and expansion in volume of fungicide mixtures in the market
3. Accomplishment of process development for several active ingredients and intermediates will be helpful in future at commercial scale production
4. Production of Industrial chemicals and Specialty Chemicals will result in more revenue generation
5. Development of several pre-mix formulations will result into global market launches in future
6. Quality improvement and cost reductions of marketed formulations will be useful in long term
7. Patent protection for products and processes will result in check on the competition in domestic and global markets
8. Increasing number of registrations and regulatory approvals in various countries will result in faster product launches globally and overall increased revenue

c) Future Plan of Action:

1. Research and Development Centres will be expanded with infrastructure improvement and enhanced capabilities
2. Process development of active ingredients becoming off-patent in 3-8 years, using non-infringing, cost-effective, eco-friendly, safe, and economically viable processes, which will be based on Green Chemistry Principles
3. Development of innovative, safe, cost-effective, non-toxic, and environmentally friendly formulations
4. Continual Quality improvement and cost-reduction for existing products and processes
5. Protect the inventions and innovations by capturing the inventions at early stage of R&D and applying for patent
6. Data generation for product registration globally

d) R&D Expenditure:

Amount in ₹ Crore

	FY20-21	FY19-20
Capital	31	12
Recurring	122	110
Total	**153**	**122**

Total R&D expenditure as a percentage of turnover – Standalone is 1.53% for FY 2021 as against 1.27% for FY2020.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Amount in ₹ Crore

	FY20-21	FY19-20
Total Foreign Exchange Earned	5,760.34	4,354.71
Total Foreign Exchange Outgo	3,820.83	2,955.54

On behalf of the Board of Directors

Rajnikant Devidas Shroff
Chairman & Managing Director
(DIN: 00180810)

Mumbai
May 12, 2021

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our corporate governance philosophy reflects 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.

Transparency

We ensure transparency and maintain high level of integrity and accountability.

Compliance

We ensure compliance in both the spirit and letter of law in all our actions and disclosures.

Relationship with Stakeholders

We understand our responsibilty to protect the interest of all stakeholders.

Our corporate governance framework is guided by our core values, culture and ethics 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 to achieve the objectives of the following principles:

- Recognize 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 through timely and accurate disclosures.
- Ensuring equitable treatment for all stakeholders.
- Recognising the responsibilities of the Board of Directors towards the 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 and Policy on Related Party Transactions.

With a strong governance philosophy, we have a multi-tiered governance structure with defined roles and responsibilities of every constituent of the governance system which includes Board of Directors, Board Committees, Executive Leadership Team, Key Global Executives and Regional and Functional Heads.

BOARD OF DIRECTORS

Composition of Board

The Board is responsible for providing strategic direction to the Company, establishing 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"). It is an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities effectively and provide leadership to the business. As on the date of this Report, the Board has 5 (five) Independent Directors out of which 2 (two) are women directors. One of the Independent Director viz. Ms. Usha Rao-Monari stepped down effective May 13, 2021, due to conflict of interest arising from her appointment at United Nation Development Programme (UNDP).

Board Meetings

The Board duly met 5 (five) 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 22, 2020	10	10	100	5 out of 5
July 31, 2020	10	10	100	5 out of 5
August 31, 2020	10	10	100	5 out of 5
October 30, 2020 *	9	9	100	5 out of 5
January 29, 2021	9	9	100	5 out of 5

* Mrs. Sandra Shroff ceased to be the Director of the Company w.e.f. August 31, 2020.

During the year, there was full quorum in all board meetings including full attendance of independent directors.

Directorship/ Committee Membership

The number of Directorship(s)/ Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the SEBI Listing Regulations and Companies Act. The details as on March 31, 2021 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	5	Yes	8	1	-	Director - Uniphos Enterprises Limited - Nivi Trading Limited	N. A.
Mrs. Sandra Shroff @$ DIN: 00189012	Non-Execuxtive Vice Chairperson	3	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
Mr. Jaidev Shroff @ DIN: 00191050	Non-Executive Director	5	Yes	3	-	-	Director - Uniphos Enterprises Limited - Nivi Trading Limited - Ventura Guaranty Limited	88,97,163 Equity Shares (including 7,97,000 equity shares representing 3,98,500 GDRs)
Mr. Vikram Shroff @ DIN: 00191472	Non-Executive Director	5	Yes	4	-	-	Nil	67,54,324 Equity Shares
Mr. Arun Ashar DIN: 00192088	Non-Promoter and Executive Director	5	Yes	7	5	-	Independent Director - Uniphos Enterprises Limited	N. A.
Mr. Pradeep Goyal DIN: 00008370	Independent Director	5	Yes	3	2	2	Independent Director - Uniphos Enterprises Limited - Hind Rectifiers Limited Chairman and Managing Director - Pradeep Metals Limited	Nil
Dr. Reena Ramachandran DIN: 00212371	Independent Director	5	Yes	-	-	-	Nil	Nil
Mr. Hardeep Singh DIN: 00088096	Lead Independent Director	5	Yes	2	2	1	Independent Director - Escorts Limited	48,807 Equity Shares

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		
Dr. Vasant Gandhi $$ DIN: 00863653	Independent Director	5	Yes	-	-	-	Nil	Nil
Ms. Usha Rao Monari $$$ DIN: 08652684	Independent Director	5	Yes	-	-	-	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.

$ Ceased to be Director of the Company w.e.f. August 31, 2020.

$$ Re-appointed as an Independent Director w.e.f. November 23, 2020 for the second term.

$$$ Ceased to be Director of the Company w.e.f. May 13, 2021.

All the meetings were held through video conferencing facility.

All the Directors had attended the last Annual General Meeting held on August 31, 2020.

Familiarization Programme for Independent Directors

Various programmes are conducted by the Company for Independent Directors pertaining to topics such as global business scenario, operations of subsidiaries, region wise business update, various policies/codes, regulatory updates. It also includes induction for new directors and factory visits.

The details of familiarization programmes imparted to Independent Directors are also disclosed on the Company's website: https://www.upl-ltd.com/investors/corporate-governance/policies.

Directors and Officers Insurance ('D&O')

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken adequate D&O insurance for directors, officers and employees of UPL Limited and its global subsidiaries.

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.

Information to Board/ Committee Members

During the year under review, board/committee meetings were convened by giving appropriate notice of the meeting well in advance. 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, make informed decisions and provide appropriate directions to the Management in this regard. Information is provided to the Board members on a continuous basis for their review, inputs and approval. UPL ensures that the directors are also provided with all the information as may be called upon by them.

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.

The Company has moved to a regime of paperless Board and Committee meetings. All the board/committee meetings were held through video conferencing as allowed under law.

Scheduling and selection of agenda items for Board and Committee meetings

The Board/Audit Committee annually holds at least four pre-scheduled meetings. Additional Board/Committee meetings 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, finalize 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 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 Board Committees.

g) Compliance related matters.

h) Regulatory updates.

i) 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 of UPL fulfil the conditions specified in the SEBI Listing Regulations and the Companies Act regarding independence and are independent of the management. Further, pursuant to the MCA notification dated October 22, 2019, all the Independent Directors are registered on the Independent Directors databank maintained by the Indian Institute of Corporate Affairs ('IICA').

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 March 29, 2021, where all the Independent Directors were present. The meeting was conducted to enable the independent directors to discuss the affairs of the Company, discuss the outcome of the board/committee evaluation and put forth their views to the Board.

Ms. Usha Rao-Monari, Independent Director was appointed at UNDP (United Nations Development Programme) as Under Secretary-General and Associate Administrator. As per the protocol it is not allowed to hold office/place of profit in any governmental/private organization, given concerns related to potential conflict of interest. Consequentially, she stepped down as independent director effective May 13, 2021. She has confirmed that there was no reason for her resignation other than one stated above.

During the year under review, there was no other change in Independent Directors.

Appointment of Lead Independent Director

As a globally accepted good governance practice, the Board has appointed Mr. Hardeep Singh as a Lead Independent Director of the Company w.e.f May 12, 2021. As a Lead Independent Director, Mr. Hardeep Singh has been entrusted with the following roles and responsibilities:

- To preside over meetings of Independent Directors.
- To preside over meetings of the Board and Shareholders when the Chairman, Vice-Chairman, CEO are not present, or when they are an interested party.
- To provide objective feedback of the Independent Directors as a group to the Board on various matters.
- To liaise between the Chairman/MD/CEO/Management/ Promoter group and Independent Directors on contentious matters for consensus building.
- To help the Company in further strengthening the Board effectiveness and Governance practices.

Board Skill Matrix

The Board comprises of highly qualified and experienced members who possess required skills, expertise and competence that is required by the Company. The core skills/ expertise/competencies identified by the Board of Directors in the context of the Company's businesses which are required for effective functioning and are available with the Board are given below:

Skills	Description
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 and succession planning.
Strategy and Growth	Examining and evaluating expansion/ diversification and M&A deals for inorganic 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 managing key risks affecting business/operations, legal & compliance risks, cyber risks. Adopting best governance practices, policies and conflict management.

The current constitution of Board ensures that Board as a whole has balanced mix of skill set identified as above. The matrix of skillset based on 'core expertise' with regards to each such skill, is as under:

Areas/Director	Global business and Economics	Management and Leadership	Strategy and Growth	Crop Protection Products	Finance	Risk, Compliance and Governance
Rajnikant D Shroff	✓✓	✓✓	✓✓	✓✓	✓	✓
Jaidev R Shroff	✓✓	✓✓	✓✓	✓✓	✓✓	✓
Vikram R Shroff	✓✓	✓✓	✓✓	✓✓	✓	✓✓
Arun Ashar	✓	✓✓	✓	✓✓	✓✓	✓✓
Reena Ramachandran	✓✓	✓✓	✓	-	✓✓	✓✓
Hardeep Singh	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓
Vasant Gandhi	✓✓	✓✓	✓✓	✓	✓✓	✓
Pradeep Goyal	✓	✓✓	✓	-	✓	✓✓
Usha Rao Monari	✓✓	✓	✓✓	-	✓✓	✓✓

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

Code of Conduct

The Company has a Code of Conduct which expresses UPL's commitment to conducting business ethically. The Code explains what it means to act with integrity and transparency in everything the Company does and in accordance with its unique culture and values. The Code sets expectations for all those who work with UPL. The Code acts as a guideline for Employees, Customers and Suppliers, Communities/ Environment, Governments and Shareholders. The Code of Conduct is available on Company's website at weblink: https://www.upl-ltd.com.

As required under Clause D of Schedule V pursuant to Regulation 34(3) of SEBI Listing Regulations, the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management as laid down by the Company for the year ended March 31, 2021. A declaration to this effect from the Chairman and Managing Director forms part of 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 organization. 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, updates the NRC on the succession planning framework and seeks their inputs to define a structured leadership succession plan. During the year, the NRC was briefed on leadership hiring in FY21, succession plan for top leadership roles and the Company's focus on building a good depth of leadership pipeline.

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 viz. 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 are revised on a periodic basis to enhance the effectiveness of the Committees and to benchmark it with the best global practices in governance.

Audit Committee

The Audit Committee comprises of 3 (three) directors all of whom are independent directors:

1. Mr. Hardeep Singh (Chairman)
2. Mr. Pradeep Goyal
3. Dr. Vasant Gandhi

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) Oversight of 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) Reviewing, with the management, the financial statements and financial results and auditor's report thereon before submission to the Board for approval.

c) Recommendation for appointment and remuneration of auditors, reviewing 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 are available on the Company's website: https://www.upl-ltd.com/investors/corporate-governance/board-committees.

During FY 2020-21, the Audit Committee met six times i.e. on May 22, 2020; July 31, 2020; October 27, 2020; October 30, 2020; December 29, 2020 and January 29, 2021:

Composition	Mr. Hardeep Singh	Mr. Pradeep Goyal	Dr. Vasant Gandhi
	Chairman	Member	Member
Meetings attended during the year	6	6	6

During the year, there was full quorum in all Audit Committee meetings.

The 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 attends the Audit Committee meeting where cost audit report is discussed. The Internal Auditor functionally reports directly to the Audit Committee. During the year, representatives from rating agencies viz. CARE and Brickwork Ratings were also invited to a Audit Committee meeting to discuss compliance with related party transactions, internal financial controls and other material disclosures made by the management, which may have a bearing on rating of the listed NCDs.

During the year, all the recommendations made by the Audit Committee were accepted by the Board. The Chairman of the Committee was present at the previous AGM held on August 31, 2020.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprises of 3 (three) directors all of whom are independent directors:

1. Dr. Reena Ramachandran (Chairperson)
2. Mr. Pradeep Goyal
3. Mr. Hardeep Singh

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 Nomination and Remuneration Committee as adopted by the Board, *inter-alia*, are as under:

a) Formulation of the 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) Recommending 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/corporate-governance/board-committees.

During FY 2020-21, the NRC met two times i.e. on May 21, 2020 and January 28, 2021:

Composition	Dr. Reena Ramachandran	Mr. Pradeep Goyal	Mr. Hardeep Singh
	Chairperson	Member	Member
Meetings attended during the year	2	2	2

During the year, there was full quorum in all Committee meetings.

The Global Chief Human Resource Officer is invited to attend the meetings of NRC. During the year, all the recommendations made by the NRC were accepted by the Board. The Chairperson of the Committee was present at the previous AGM held on August 31, 2020.

During the year under review, performance evaluation of the entire Board, its Committees, 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 performance evaluation was based on the criteria approved by the NRC.

The outcome of the Board/Committee evaluation was discussed at the meeting of the independent directors and at 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 nomination and 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 Company's website at https://www.upl-ltd.com/investors/corporate-governance/policies. 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.

The Group has also put in place Executive Compensation Policy (ECP). ECP aims at remunerating the global Executive Leadership Team (ELT) to drive long-term organizational goals. It comprises of the collective business and functional leadership manned by the top company executives. While designing global ELT's employment contracts, local pay practices, local labour and employment compliances hold a key consideration. Their overall remuneration is managed as per market pay practices, in line with their professional job responsibilities. Also, remuneration is benchmarked with the help of a third-party consultant to ensure market competitiveness. ECP is available on the Company's website at https://www.upl-ltd.com/investors/corporate-governance/policies.

Details of remuneration of Directors
Remuneration of executive directors is broadly divided into fixed and variable components. The fixed components comprise of salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises of performance based annual incentive/commission. The performance criteria are based on annual targets for Company's performance. Also, overall compensation trends in the industry are considered for this purpose. Appointment is normally done for a period of five years. The service agreement provides for a notice period of three months on either side.

Remuneration paid to the Managing Director and Whole-time Director during FY2020-21 is as under:

₹ in crore

Name	Salary	Retiral Benefits	Perquisites	Commission*	Total
Mr. Rajnikant D. Shroff (Chairman and Managing Director)	6.21	0.91	2.69	4.50	14.31
Mr. Arun Ashar (Whole-time Director)	2.01	0.42	0.36	0.60	3.39

* The aforesaid Commission is for FY19-20, which was paid in FY20-21 after adoption of financial statements by the members. Commission for FY20-21 as approved by the Board based on recommendation of Nomination and Remuneration Committee for Mr. Rajnikant D. Shroff is ₹ 4.50 crore and for Mr. Arun Ashar is ₹ 1.00 crore.

Mr. Jai Shroff, Global CEO and Mr. Vikram Shroff, Director and other ELT members receive remuneration from global subsidiaries where they are employed as per the Group's policy. Details of remuneration received by them during FY20-21 along with comparison of remuneration structure of Global ELT members is as under:

(US $ mn)

Name	Fixed	Variable remuneration	Stock Options	Total
Mr. Jai Shroff, Global CEO	4.00	4.00	No	8.00
Mr. Vikram Shroff, Director	2.00	2.00	No	4.00
Other members of Global ELT	Range of remuneration 0.4 mn to 2.06 mn		Yes	-

Remuneration of Mr. Jai Shroff , Mr. Vikram Shroff and other ELT members is benchmarked to ensure market competitiveness and is in line with the global business performance of the Company.

Mrs. Sandra Shroff, who was a non-executive director in the Company, stopped drawing remuneration after ceasing to be a director of the Company with effect from August 31, 2020. In FY 20-21, she received a remuneration of $ 0.5 mn from a subsidiary.

The Commission payable to Independent Directors for FY20-21 is ₹ 15,00,000 each. The same is commensurate with the size of the Company and industry trends. The Commission for the financial year ended March 31, 2021 will be paid to Independent Directors, subject to deduction of tax, after adoption of financial statements at the Annual General Meeting. The Company paid sitting fees for the year ended March 31, 2021 to Independent Directors for attending Board / Committee Meetings as follows:

Mr. Pradeep Goyal ₹ 5,50,000, Dr. Reena Ramachandran ₹ 2,75,000, Mr. Hardeep Singh ₹ 4,25,000, Dr. Vasant P. Gandhi ₹ 3,75,000 and Ms. Usha Rao-Monari ₹ 2,25,000.

None of the non-executive directors has any pecuniary relationship with the Company except sitting fees, commission and reimbursement of expenses, if any incurred for company work. Please refer to the disclosure on Related Party Transactions in the financial statements for details of transactions, if any, with Directors, KMPs and their relatives.

Stakeholders Relationship Committee
The Stakeholders Relationship Committee ("SRC") comprises of 3 (three) directors of whom 2 (two) are non-executive directors:

1. Mr. Pradeep Goyal (Chairman)
2. Mr. Vikram Shroff
3. Mr. Arun Ashar

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. Mr. Sandeep Deshmukh, Company Secretary acts as the Secretary to the Committee who is also the Compliance Officer for compliance under Securities Laws.

During the year under review, Mrs. Sandra Shroff has ceased to be the member of the Committee w.e.f. August 31, 2020, and Mr. Vikram Shroff was appointed as the member of the Committee w.e.f. October 1, 2020.

The broad terms of reference of Stakeholders Relationship Committee as adopted by the Board, *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 the Company's website: https://www.upl-ltd.com/investors/corporate-governance/board-committees.

During the year under review, the Stakeholders Relationship Committee met 2 (two) times i.e., on May 21, 2020 and July 30, 2020.

Composition	Mr. Pradeep Goyal	Mrs. Sandra Shroff (upto August 31, 2020)	Mr. Arun Ashar
	Chairman	Member	Member
Meetings attended during the year	2	2	2

During the year, there was full quorum in all Committee meetings. The Chairman of the Committee was present at the previous AGM held on August 31, 2020.

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

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

Number of Complaints	
Pending at the beginning of the financial year	3
Received during the financial year	16
Disposed off during the financial year	19
Pending at the end of the financial year	Nil

The complaints were majorly relating to non-receipt of securities/ annual report, dividend, etc. All the complaints were resolved satisfactorily.

Grievance Redressal Mechanism

Risk Management Committee
The Risk Management Committee ("RMC") currently comprises of 5 (five) members out of which two are executive directors and one is an independent director viz:

1. Mr. Rajnikant Shroff (Chairman)
2. Mr. Arun Ashar, Whole-time Director
3. Dr. Vasant Gandhi, Independent Director
4. Mr. Anand Vora, Global Chief Financial Officer
5. Mr. Raj Tiwari, Global Head – Supply Chain

The composition of the Committee is in compliance with the SEBI Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

During the year under review, Mrs. Sandra Shroff has ceased to be a member of the Committee w.e.f. August 31, 2020 and, Dr. Vasant Gandhi, Mr. Anand Vora and Mr. Raj Tiwari were appointed as members of the Committee w.e.f. May 12, 2021.

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

a) Framing risk management plan and policy and reviewing it periodically, at least once in two years.

b) Review of cyber security risks, data privacy, ESG related risks, other internal and external risks.

c) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

d) Evaluate its own performance annually.

e) Review the adequacy of its Charter annually.

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

During the year under review, RMC met 2 (two) times i.e., on May 21, 2020 and July 30, 2020.

Composition	Mr. Rajnikant Shroff	Mrs. Sandra Shroff (upto August 31, 2020)	Mr. Arun Ashar
	Chairman	Member	Member
Meetings attended during the year	2	2	2

Corporate Social Responsibility Committee
The Corporate Social Responsibility Committee ("CSR") currently comprises of 3 (three) directors including one independent director:

1. Mr. Vikram Shroff (Chairman)
2. Mr. Pradeep Goyal
3. Mr. Arun Ashar

The composition of the Committee is in compliance with the Act. The Company Secretary acts as the Secretary to the Committee.

During the year under review, Mrs. Sandra Shroff ceased to be the Chairperson of the Committee w.e.f. August 31, 2020. Mr. Arun Ashar was appointed as a member and Mr. Vikram Shroff was re-designated as Chairman of the Committee w.e.f. October 1, 2020.

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

a) Formulate and recommend CSR policy to the Board.

b) Recommend budget 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 website: https://www.upl-ltd.com/investors/corporate-governance/board-committees.

During the year under review, the Committee met 3 (three) times i.e., on May 21, 2020; July 30, 2020 and March 23, 2021:

Composition	Mr. Vikram Shroff	Mrs. Sandra Shroff (upto August 31, 2020)	Mr. Pradeep Goyal	Mr. Arun Ashar
	Chairman	Chairman	Member	Member
Meetings attended during the year	3	2	3	1

During the year, there was full quorum in all Committee meetings. The executive incharge of/handling the CSR function is invited to the meeting.

Finance and Operations Committee
The Finance and Operations Committee comprises of 3 (three) directors: 1. Mr. Rajnikant Shroff (Chairman) 2. Mr. Vikram Shroff 3. Mr. Arun Ashar. During the year under review, Mrs. Sandra Shroff ceased to be member of the Committee w.e.f. August 31, 2020.

The Finance and Operations Committee is a non-statutory committee which has been constituted by delegating 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 authorizations, general authority required under various statutes, issuing power of attorney. The Committee meets at regular intervals.

GENERAL BODY MEETINGS

Last three Annual General Meetings and Postal Ballot:

Year	AGM	Venue / Mode	Date	Time
2019-20	36th AGM	By video-conferencing	31/08/2020	3.00 p.m.
2018-19	35th AGM	Hotel Green View Hall National Highway No. 8, Vapi- 396 195, Gujarat	28/08/2019	11.00 a.m.
2017-18	34th AGM		23/08/2018	

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

2019-20

a) Re-appointment of Mr. Hardeep Singh as an Independent Director of the Company.

b) Re-appointment of Dr. Vasant Gandhi as an Independent Director of the Company.

2018-19

a) Private placement of Non-Convertible Debentures.

b) Re-appointment of Mr. Pradeep Goyal as an Independent Director of the Company.

c) Re-appointment of Dr. Reena Ramachandran as an Independent Director of the Company.

2017-18

a) Private placement of Non-Convertible Debentures.

b) Re-appointment of Mr. Rajnikant Shroff as Chairman and Managing Director and approve payment of remuneration.

c) Re-appointment of Mr. Arun Ashar as Whole-time Director designated as Director-Finance and approve payment of remuneration.

During the year under review, 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.

Governance of Subsidiary Companies
A synopsis of the minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The synopsis of financial statements of the subsidiary companies are presented to the Audit Committee. As on March 31, 2021, the Company has 7 (seven) material subsidiaries as defined in the SEBI Listing Regulations of which 4 material subsidiaries are required to appoint independent directors. The Company has appointed Mr. Hardeep Singh and Ms. Usha Rao Monari as an Independent Director on various material subsidiaries as required under Regulation 24 of the SEBI Listing Regulation. Subsequent to cessation of Ms. Usha Rao Monari as an Independent Director of UPL, the Company is in the process of appointing a new independent director on the Board of material subsidiaries. The Company's policy on material subsidiary is available on the Company's website and can be accessed through the weblink at https://www.upl-ltd.com/investors/corporate-governance/policies.

Means of Communication

Financial Results – The Company's financial results are submitted to the stock exchanges and also available on the website of the Company. Extract of consolidated financial results is also published in leading newspapers having pan India circulation such as Financial Express, Western Times etc. in English language and in regional language of the state in which the registered office of the Company is situated viz. Gujarat.

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 – 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 other 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	Friday, August 6, 2021 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 30th June, 2021.	On or before August 14, 2021
Results for quarter and half year ending 30th September, 2021.	On or before November 14, 2021
Results for quarter and nine months ending 31st December, 2021.	On or before February 14, 2022
Results for quarter and year ending 31st March, 2022.	First half of May, 2022
Trading Window Closure for Financial Results	From the last day of the relevant quarter till the completion of 48 hours after the UPSI becomes generally available.
Financial Year	1st April to 31st March
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	6,31,55,908 GDR (8.27% of the paid-up share capital) are listed at Singapore Stock Exchange Ltd. Symbol: BYS
Termination of GDR programme (unlisted)	During the year, the Company has terminated the GDR programme (unlisted) effective May 14, 2020 in view of the small number of GDR outstanding. Out of the total GDRs under this programme, 2,58,180 GDRs have been terminated representing equal number of equity shares while 25,500 GDRs are still outstanding.
Listing of Commercial Paper	Commercial Papers issued by the Company are listed on National Stock Exchange of India Limited.
Listing fees	The Company has paid the annual listing fees to each stock exchange where its securities are listed.
Suspension from trading	No Securities of the Company were suspended from trading during the financial year 2020-21.
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 Email: rnt.helpdesk@linkintime.co.in Website: https://linkintime.co.in/
For the benefit of the Shareholders, the correspondence 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 and 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	https://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 is not permitted unless the securities are held in dematerialized form with the depository.

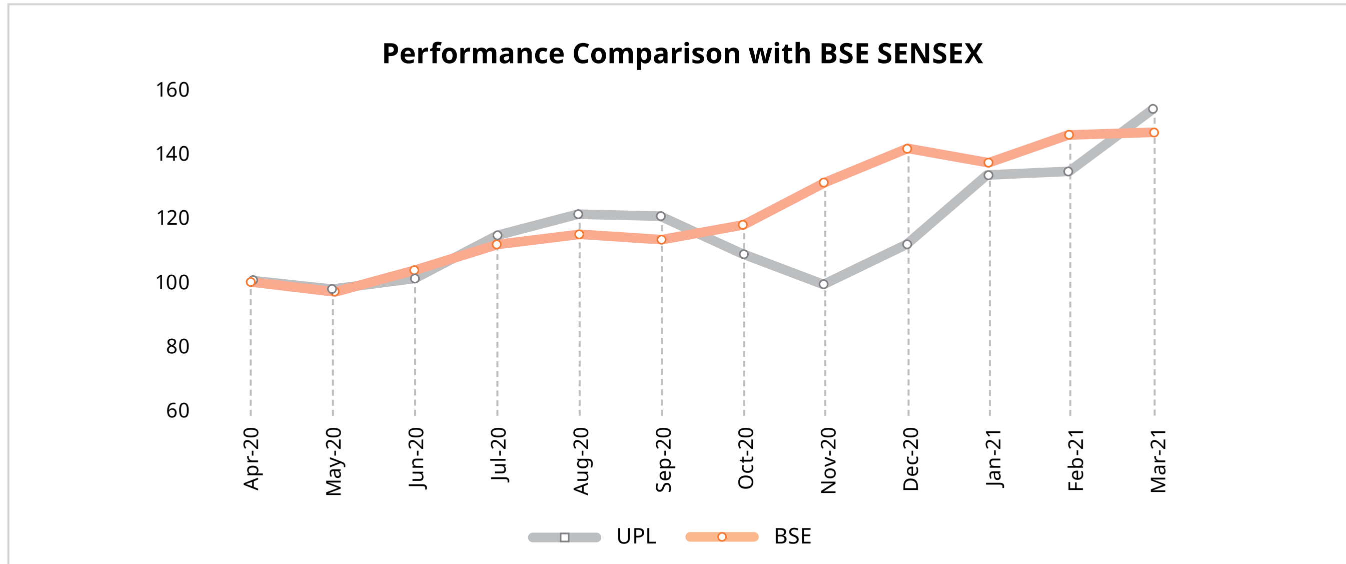
Disclosure related to Demat Suspense Account/Unclaimed Suspense Account

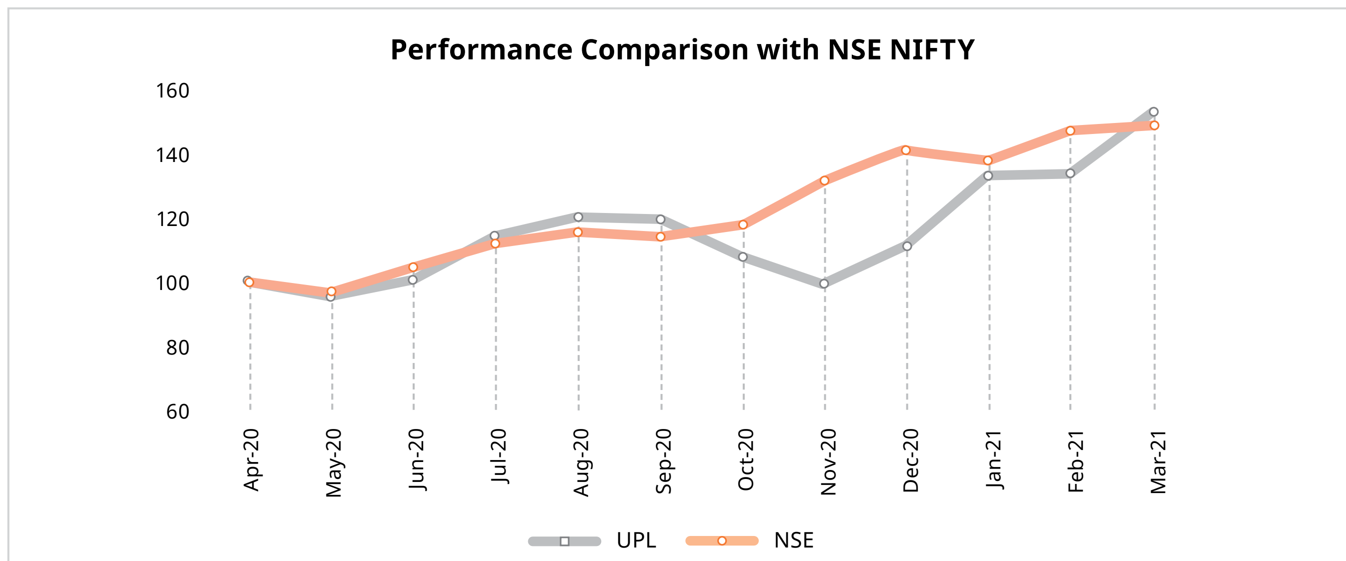
The Company is in the process of dematerialising unclaimed shares which are retained by the Company. These shares will be held by the Company on behalf of the holders of such shares in an "Unclaimed Suspense Account" opened with a depository. All the shares with respect to which dividend remains unclaimed 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. The Company has sent three reminder letters for claiming dividend, to the shareholders whose shares remain unclaimed. The Company will now be transferring these unclaimed shares to Unclaimed Suspense Account and the voting rights on these shares will be freezed.

Market Price Data for the period from April 1, 2020 to March 31, 2021

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, 2020	426.10	295.20	429.35	295.00
May, 2020	419.70	336.55	419.75	336.00
June, 2020	470.00	398.05	470.00	398.05
July, 2020	485.95	423.40	486.00	423.55
August, 2020	534.85	445.55	534.90	445.20
September, 2020	546.15	467.35	546.50	467.05
October, 2020	524.65	429.65	524.90	429.35
November, 2020	465.00	399.00	465.00	399.00
December, 2020	494.90	416.05	495.00	416.10
January, 2021	601.00	466.50	601.15	466.35
February, 2021	623.15	510.05	597.00	510.00
March, 2021	653.90	565.25	654.00	570.00

Share price performance in comparison to BSE Sensex and NSE Nifty



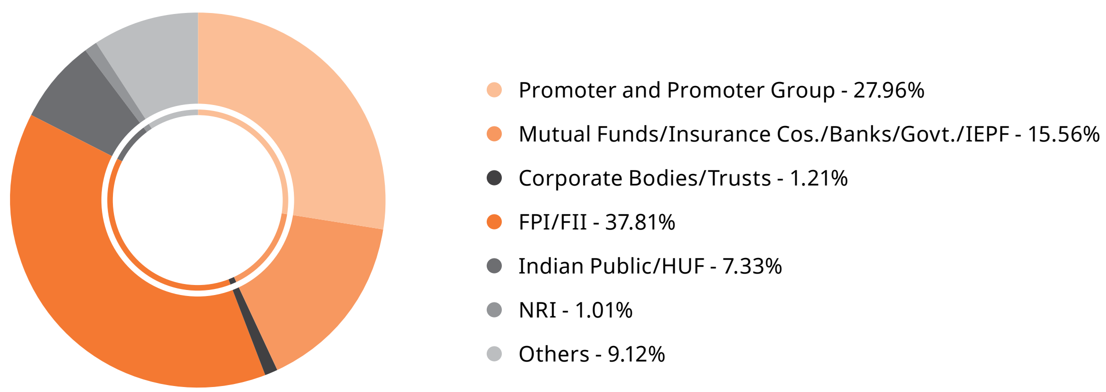


Note: UPL share price and Sensex and Nifty values in April 2020 have been baselined to 100.

Distribution of shareholdings as on March 31, 2021

Shares Range	Number of shareholders	% of total Shareholders	Total Shares	% of issued capital
1 – 500	163672	90.95	10698470	1.40
501 – 1,000	5408	3.00	4052223	0.53
1,001 – 2,000	4262	2.37	6277359	0.82
2,001 – 3,000	2248	1.25	5989345	0.78
3,001 – 4,000	847	0.47	2923297	0.38
4,001 – 5,000	530	0.29	2421517	0.32
5,001 – 10,000	1426	0.79	10282299	1.35
10,001 and above	1579	0.88	721400946	94.42
Total	**179972**	**100.00**	**764045456**	**100.00**

Shareholding pattern as on March 31, 2021



Dematerialization of shares
As on March 31, 2021. Trading in Equity Shares of the Company is permitted only in dematerialized 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 FY2020–21 is given below:

	BSE	NSE	BSE+NSE
In no. of shares (in thousand)	331.47	7925.01	8256.48

(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, 2021, there were 6,31,81,408 outstanding GDRs under two different programmes. Total 6,31,55,908 (8.27%) GDRs are listed on Singapore Stock Exchange Ltd, while 25,500 unlisted GDRs from another terminated GDR programme are still outstanding.

Transfer of Dividend and Shares to Investor Education and Protection Fund
During the year, the Company has credited approx. ₹ 59.12 lakhs to the Investor Education and Protection Fund (IEPF) as unclaimed amounts pertaining to dividend for FY 2012-13 pursuant to the provisions of the Companies Act, 2013. During the year, the Company also transferred approx. ₹ 69.70 lakhs to IEPF as dividend on the shares already transferred to IEPF. The cumulative amount transferred by the Company to IEPF up to March 31, 2021 is approx. ₹ 5.32 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 1,22,042 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 2013-14, due date for which is September 27, 2021.

In order to educate the shareholders and with an intent to protect their rights, the Company also sends regular reminders to shareholders to claim their unclaimed dividends/shares before it is transferred to IEPF. Shareholders may note that both the unclaimed dividends and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed from IEPF by following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

The Company has uploaded on its website, the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. August 31, 2020). Details of shares transferred to IEPF Authority during financial year 2020-21 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 2013-14 and thereafter:

Year	Dividend per share (in ₹)	Due Date for claiming dividend
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
2019-20	₹ 6/-	03/10/2027

Credit Rating – NCD, Bank Loan & Commercial Paper
The Company has obtained rating from CRISIL Limited, CARE Ratings Limited and Brickwork Rating Pvt. Ltd during the financial year 2020-21. As on 31st March 2021, the credit rating 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	-	-	-

Utilization of Funds Raised Through Issue of Non-Convertible Debentures/Preferential Issue
During FY2020-21, no funds were raised through issue of Non-Convertible Debentures or any other Preferential Issue.

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 certain 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 details regarding various risks applicable to the Company and their mitigation plan have been covered in detail in the Board's Report and Management Discussion and Analysis Report forming part of the Annual Report.

Code of Conduct for Monitoring and Prevention of Insider Trading
The Company has implemented a Code of Conduct for Monitoring and Prevention of Insider Trading ("The Code"). The Code is applicable to all insiders and Designated Persons (DPs) as well as their immediate relatives. The Code, *inter-alia*, lays down the procedures to be followed while trading/dealing in Company's shares and while dealing with Unpublished Price Sensitive Information ('UPSI') for legitimate purposes. In line with the recent amendments to SEBI PIT Regulations, the Code also includes the provision for maintenance of a Structured Digital Database (SDD) of persons who handle UPSI to discharge their duties or for furtherance of legitimate purpose. In this regard, the Company has set up an inhouse SDD having features such as non-temperable database, date stamp, audit trail, maintenance of data for 8 years etc. and maintaining

information such as the nature of UPSI, names of persons who have shared the UPSI for legitimate purpose, names of persons to whom the UPSI is shared, PAN of such persons etc.

The Code also lays down the process for taking action against any violation of the Code committed by insiders or DPs. The Board has constituted an "Insider Trading – Task Force" consisting of the Compliance Officer, Chief Financial Officer, Finance Director, Chief Human Resources Officer and Chief Legal Officer to determine the disciplinary action on a case-to-case basis, without delay and in a consistent manner based on the well-defined and detailed consequence management guidelines. Such disciplinary actions taken are duly reported to the stock exchanges in the requisite format.

The Audit Committee reviews 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 https://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 https://www.upl-ltd.com.

(e) Policy on dealing with related party transaction has been disclosed on the Company's website https://www.upl-ltd.com.

(f) Certificate from M/s. 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 SEBI Listing Regulations, is annexed to this Report.

(g) During the financial year 2020-21, all the recommendations of the Committees of the Board were considered and approved by the Board of Directors of the Company.

(h) During the financial year 2020-21, total fees paid by the Company and its subsidiaries on a consolidated basis to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part was ₹ 9.99 crore.

(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 not received any formal complaints under POSH.

(j) The Company has complied with requirement of 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.

(m) UPL is the only company in the crop protection sector included in the S&P Global Sustainability Yearbook 2021 for its strong performance in environmental, social and governance risk management.

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), also posted on the website of the Company https://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 reports directly to the Audit Committee.

On behalf of the Board of Directors

Mumbai
May 12, 2021

Rajnikant Devidas Shroff
Chairman and Managing Director
(DIN: 00180810)

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, 2021.

On behalf of the Board of Directors

Mumbai
May 12, 2021

Rajnikant Devidas Shroff
Chairman and Managing Director
(DIN: 00180810)

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 Devidas Shroff, Managing Director and Anand Vora, Global 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, 2021 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;

   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 Devidas Shroff
Chairman and Managing Director

Anand Vora
Global Chief Financial Officer

Mumbai

May 12, 2021

Auditor's certificate on Corporate Governance

INDEPENDENT AUDITORS' 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 11 May 2021 and addendum to the engagement letter dated 11 May 2021.

2. We have examined the compliance of conditions of Corporate Governance by UPL Limited ("the Company"), for the year ended 31 March 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities 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 Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

AUDITORS' RESPONSIBILITY

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

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 Listing Regulations for the year ended 31 March 2021.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far, as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the 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 the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing 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 of enabling the Company to comply with the requirement of the Listing Regulations and 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: 21042070AAAABQ3556

Place: Mumbai
Date: 12 May 2021

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) 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 10(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, 2021 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 (Resigned w.e.f. 31/08/2020)	00189012	01/10/1992
3.	Jaidev Rajnikant Shroff	00191050	01/10/1992
4.	Vikram Rajnikant Shroff	00191472	22/04/2006
5.	Arun Chandrasen Ashar	00192088	01/03/1993
6.	Hardeep Singh	00088096	02/02/2015
7.	Pradeep Vedprakash Goyal	00008370	31/01/2002
8.	Reena Ramachandran	00212371	21/10/2003
9.	Vasant Prakash Gandhi	00863653	23/11/2015
10.	Usha Mohan Rao Monari	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.

Place: Mumbai
Date: May 5, 2021

For N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
UDIN: F008663C000245671

Bharat Upadhyay
Partner
FCS: 5436
CP. No. 4457

Business Responsibility Report

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	https://www.upl-ltd.com/
5.	Email ID	upl.investors@upl-ltd.com
6.	Financial year reported	April 2020 to March 2021
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 approx. 70 countries.
	b) Number of national locations	Business activity is undertaken through UPL and its 13 Indian direct and indirect subsidiaries, around 15 plants and 35 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 (₹)	153 crore
2.	Total Turnover (₹)	11,345 crore
3.	Total Profit after taxes (₹)	220 crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	45%
5.	List of activities in which expenditure in 4 above has been incurred	a) Institutions of Excellence b) Sustainable Livelihood c) Nature Conservation d) Local and National Needs e) Disaster Response (including COVID-19)

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.	Email ID	upl.investors@upl-ltd.com

2. **Principle-wise (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 on our internet portal which can be viewed at https://www.upl-ltd.com/investors/corporate-governance/policies								
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/sustainability

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 email – 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.

India – Nil

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 centre 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 services whose design address social and environmental concerns:

A. ProNutiva®:

ProNutiva® is an exclusive programme 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® programme 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 programme 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 a starch based molecule therefore it disintegrates into soil without leaving 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 various 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 centre 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 advanced and effective technologies, few of the achievements are mentioned below.

1. In the reporting year, company has recycled more than 10% of water by various water recycling initiatives like Reverse Osmosis (RO), Forward Osmosis (FO), scaleban, steam condensate recovery and STP treated effluent recycling.
2. Utilised total 14,000 KL harvested rainwater during rainy season at Unit-0 Vapi, Unit-1&2 Ankleshwar and Unit-4 Halol plant.
3. This year company consumed total 15% electricity from renewable sources like wind and solar in our Indian manufacturing sites.
4. For Unit-4 Halol we are utilising Briquette as a boiler fuel and evaluating for another unit also.

(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. Last year, company rolled out programme to reinforce supplier code of conduct and suppliers' commitment to sustainability in line with UNGC guidelines. We initiated assessment of key suppliers along ESG (Environmental Social and Governance) criteria wherein we covered 20% of total spend. Going forward, we will be strengthening supplier assessment & development programme in line with ISO 20400:2017 and encourage adoption of sustainable practices by suppliers through capacity building workshops and contract clauses.

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. Company is focused on development of local sourcing to the extent possible. Company has outlined projects to develop local sources for certain key raw materials and supply chain of key formulations. Our technical team is relentlessly working on process design and capacity building of suppliers to enable reduction in wastage from operations at supplier site. Their efforts have also been instrumental in development of contract suppliers locally and to reduce dependence on imports. E.g. Last year, we could achieve local sourcing of 60% of raw materials for one of our fungicide products as compared to import options earlier. In such cases, commitment to local sourcing and technical support to local suppliers plays a crucial role. Most of our packaging suppliers are local.

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes. We focus on reduction at source to the extent possible followed by process designs to enable recovery and recycling of waste streams. Our R & D works on improvement in process design to reduce waste during synthesis and enable recycling of it. We encourage our contract manufacturer to recycle their process waste to the extent possible. Company achieved 100% of its target to collect & dispose plastic waste from community equivalent to its product packaging responsibly in line with plastic waste regulation in India and is looking forward to reduce plastic waste at source and develop innovative models of reverse logistics to collect back packaging of its brands.

We recycled certain waste and by-products by converting them into value added products example like Ammonium acetate, Methyl chloride, Sodium sulfate, Ammonium sulphate, Calcium chloride, Dicalcium Phosphate, Hydrochloric acid, HNO_3, 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 as per statutory guidelines.

Principle 3: Businesses should promote the well-being of all employees.

1. **Please indicate the total number of employees –**
   Total number of employees as on March 31 2021 is 5,208.

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, 2021 is 8,392

3. **Please indicate the number of permanent women employees –**
   Total number of permanent women employees as on March 31, 2021 is 181.

4. **Please indicate the number of permanent employees with disability –**
   Total number of permanent employees with disability as on March 31, 2021 is 24.

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 programme 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 have also launched the sexual harassment training across the globe.

   We also have a Child Labour 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 programme is published for both behaviour 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 such as 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	7492	15	2996.8	6	4001.3	9	493.5	0	0	0	0	0
b) Skill Upgradation	8142.85	68	3229.6	47	1860	0	3052.25	21	0	0	0	0
c) Others	3093.5	10	1924	1	46	0	1123.5	9	0	0	0	0

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 on generating 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 are 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 complaints were 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 reducing 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 helps us to make our supply chain sustainable by aligning 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.**
   As per Company's Sustainability Goal, the Company is committed to reduce its environment footprint 30% by 2025 from baseline FY 2019-20. This year UPL has joined United Nations Global Compact (UNGC) to support sustainable development goals. For details on our initiatives on sustainability, please visit our website at https://www.upl-ltd.com/sustainability

3. **Does the Company identify and assess potential environmental risks? Y/N**
   Yes, we have been identifying risks and working on to mitigate them. Majority of our manufacturing facilities are 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 refer our Annual Sustainability Report on our website at https://www.upl-ltd.com/sustainability

   1. Water Management
      - Maintained more than 60% Zero liquid Discharge (ZLD) system in manufacturing Unit
      - Recycling of treated effluent/sewage through scaleban STP & RO.
      - This year company applied 3 patents in area of wastewater treatment

2. **Waste Management**
   - Convert waste and By-products into value added products like Sodium hydrosulfide, Sodium Sulphate, Nitric Acid, Hydrochloric acid, Di-Calcium Phosphate.
   - Implemented Volute press for sludge dewatering at various sites
   - Recovery of product and solvents from process waste stream more than 90%
   - Signed MOUs with cement industries for co-processing of incinerable waste for energy generation at Indian operation
   - Recycle of used drums and containers after decontamination

3. **Energy and Climate Change Management**
   - Signed and executed purchase of total 26 MW renewable power from wind and solar on PPA model.
   - Installed VATC to recover waste flash steam, which was vented to atmosphere, It's also awarded as "Innovative Project" by CII.
   - Recovering heat from process and elimination its reject to cooling tower by "Heat Integration"
   - Installed energy efficient equipment's like; G-FRP fans, Evaporative condenser.
   - Optimising column operation and recommending modification during project stage for energy saving.
   - Recycle of steam condensate at all major sites.
   - Power generation from back pressure turbine.
   - CCDS & CPU system installation for condensate recovery.

4. **Clean and innovative technology adopted for manufacturing.**
   - Dry HCl technology implemented to recycle the spent acid.
   - Piloted Ozonation and Electrooxidation Technology for Effluent treatment, Quality improvement of products

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, 2021, there were no pending show cause or legal notices 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. Centegro 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.

   The 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.**
   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.

   At UPL we believe in holistic and sustainable growth of society. Our commitment and interventions cater to all the segments of the society and have been classified in four focus areas

   Our CSR values are shared across the globe and development initiatives are being undertaken in Argentina, Brazil, Belgium, Colombia, Côte d'Ivoire, India, Kenya, Mexico & UK and implementing & supporting more than 80 development interventions benefiting more than 70 communities across continents. For us the entire world is our home.

   For more detail's login to https://www.upl-ltd.com/sustainability/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 and UPL promoted foundations to make the plans and execute the CSR programmes. Apart from this, UPL also engages with third parties, Government organisations, NGO's, CBO's, and PRIs to perform specific programmes/projects considering the community needs and requirements.

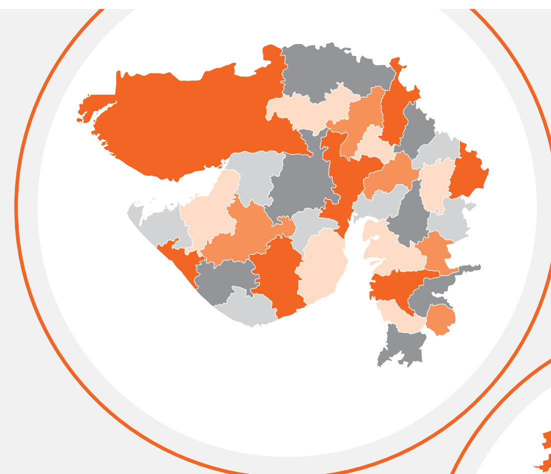
3. **Have you done any impact assessment of your initiative?**
   Yes, the Company conducts third-party impact assessment for all the CSR initiatives to measure the long-term impact of the interventions in a period of three years. Lately, the Company has conducted third party assessment study in year 2016 where the results were very inspiring both at the macro and micro level.

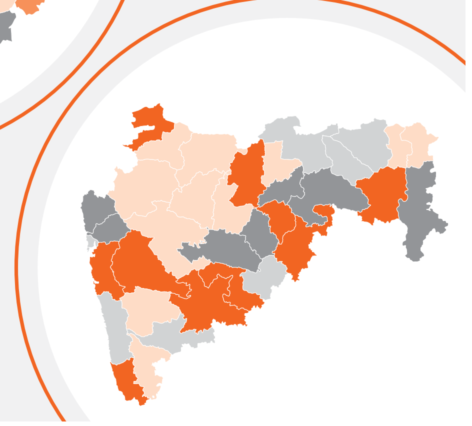
   Additionally, the in-house team conducts need assessment survey before execution of the programmes/ projects and performs regular internal monitoring to validate the initiative in between.

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 approx. ₹ 100.00 crore which is 45 % of standalone profit after tax.

OUR CSR FOOTPRINT IN INDIA

1. **Gujarat**
   - Vapi Cluster
   - Dang Cluster
   - Ankleshwar Cluster (Bharuch)
   - Jhagadia Cluster (Bharuch)
   - Dahej Cluster (Bharuch)
   - Narmada Cluster
   - Halol Cluster (Panchmahal)
2. **Maharashtra**
   - Mumbai Cluster
   - Parli in Marathwada (Maharashtra)
   - Yavatmal in Vidharbha (Maharashtra)
3. **Other parts of country**
   - Samba in Jammu
   - Haldia in West Bengal





Efforts and impacts at a glance

Our commitment and interventions cater to all the segments of the society and have been classified in 4 focus areas.

a) Institution of excellence

b) Sustainable Livelihood

c) Nature Conservation and

d) Local and National Need

Brief summary of the activities executed under the above focus area are detailed below:

A. INSTITUTION OF EXCELLENCE

UPL is committed to create Institutions of Excellence to increase responsible and skilled human capital in India through Academic excellence, Holistic growth, and Vocational & life skills. We have created following Institutions of excellence in India.

1. **Shroffs Rotary Institute of Chemical Technology (SRICT), India:** An engineering college to provide world-class research and teaching facilities in chemical technology – 330 students/year.
2. **Sandra Shroff ROFEL College of Nursing, Vapi:** Offering 4-year B.Sc. Nursing and 2 years M.Sc. Nursing courses – 55 students/year.
3. **Sandra Shroff Gnyan Dham School,** India A top-notch school renowned for its outstanding academic performance, along with co-curricular activities – 1,600 students/year
4. **Gnyan Dham Eklavya Model Residential School, Ahwa, India** – To improve quality of education for poor tribal students – 350 students/year.
5. **UPL Centre for Agriculture Excellence** – A residential farmers training centre is providing training since last 20 years to develop practical sustainable farming skills – 18,142 farmers trained.
6. Establish **Centre of Excellence (COE)** on process safety management.

B. SUSTAINABLE LIVELIHOOD

In India, UPL Limited developed an integrated approach that engrossed and covered all the major three marginally oppressed sections of the society which can be identified as Women, Dropout youths and Farmers. As a leading responsible organisation, we always focused on improving quality of life of these communities/people through different approach as briefed below:

Different interventions under Sustainable livelihoods – through agriculture interventions in India

Agriculture development @ All Cluster Cumulative
7 years
79 villages
87 farmer groups
3880 farmers
6 Farmer Producer Company

Farmers Producer Company @ UPL Limited
1 Years
6 Farmers Producer Companies
5 Locations
1500 plus farmers
₹ 13,65,000 INR Equity Generated

Agriculture development @ Dang
7 years
37 villages
20 farmer groups
1500 farmers
2 Farmer Producer Company

Agriculture development @ Vapi
4 years
10 villages
10 farmer groups
500 farmers
1 Farmer Producer Company

Agriculture Market Linkage (FreshVeg2U)
3 years
3 Agriculture Van
15 Villages
75 Farmers
₹ 50,00,000 Plus Gross Turn-Over

Agriculture development @ Ankleshwar
6 years
14 villages
25 farmer groups
365 farmers
1 Farmer Producer Company

Bori Bagicha/ Kitchen Garden
6 years
58 villages
4,026 farmers

Sustainable Livelihood Development @ Narmada
5 Years
5 Villages
500 Farmers

Agriculture development @ Jhagadia
6 years
13 villages
21 farmer groups
295 farmers

Animal husbandry: Breed Improvement @ Ankleshwar and Jhagadia
4 years
21 villages
483 households
3,296 artificial insemination done

UPL Centre for Agriculture Excellence – Vapi
19 Years
17,222 Farmer were benefitted
UPL Centre for Agriculture Excellence @ Bhawandaghad, Ahwa, Dang
2 Years
920 farmers trained in Satellite Centre

Different interventions under Sustainable livelihoods through skill development of youth and women

Skill Development and Entrepreneurship (Women)

7 years
152 SHGs formed and strengthened
49 villages
1851 women members
3 Federations
1 Saving Credit Cooperative Society

Skill development (youth)

7 years
1,969 youth trained
1,273 placed in industries
818 participants trained Online

Niyojaniy Kendra

Candidates trained		Candidates placed in industries	
2018-19	Till Date	2018-19	Till Date
381	1,969	272	1,273

Note: Looking into the Situation of World Pandemic, The Centre started online training and 818 participants trained on different theme of Safety Awareness Training, Financial Awareness and Management, Different Government Scheme or flagship programme for Community development.

Interventions in other countries:

Applique Bien, a free training programme through autonomous fully equipped mobile units, in **Burkina Faso, Cameroon, Chad, Ghana, Ivory Coast, Mali and Senegal**

Food Crop Integrated Programme in Burkina Faso, Cameroon, Chad, Ghana, Ivory Coast, Mali, Senegal where farmers are provided with high-quality inputs, finance solutions, output market and therefore increased incomes

Establishment of micro-enterprise

5 years
6 micro-enterprises formed and Strengthened
172 members skilled

Saving Credit Cooperative Society @ Valsad

2 Year
700 SHGs Member

Cocoa & Forests Initiative (CFI) in Ghana and Ivory Coast –

This project has three priorities –

1) Forest protection and restoration
2) Sustainable production and farmers' livelihoods and
3) Community engagement and social inclusion

C. NATURE CONSERVATION

UPL Ltd initiated various efforts to conserve environment & improve quality of life of flora and fauna. We execute various projects focusing on protecting & conserving nature and environment through different strategies and objectives.

Skill based entrepreneurship development

7 years
1,635 participants skilled
Agripreneurship among women

Major interventions under Environment and Nature Conservation (UPL VASUDHA) in India

Eco clubs

6 years
6 Clusters
117 Eco clubs
4439 members
15829 Students

Sarus Conservation, Kheda

5 Years , 40 Villages
88 RSPGs (Rural Sarus Protection Groups)
18163 Students, 4320 Villagers
829 Sarus Officially Documented in Kheda in 2020-21 against 500 Sarus documented in 2015-16 at the beginning of the project

Water conservation

3 year
2 Check dams
8 group wells constructed
6 Pond developed
2 Bore Well Recharge Structure
72947 Cubic Meter Water Conserved/ 72947000 Litre Water Conserved

Eco clubs @ 2020-21

8 Virtual Awareness Programme Conducted
1000 Plus Students Sensitised
100% students received certification of participation
50 Plus students motivated with awards

Deer & Ungulate Breeding Project, Vansda

3 Years
62 Spotted Deer
12 Four-horned Antelope
19 Spotted Deer released to wild forest

Social forestry

4 years
1,35,729 trees planted
3,00,000 Mangroves planted

Nature conservation Interventions in other countries:
Conservation of wildlife in Kenya at Tsavo West National Park by minimising man-animal conflict through promotion of Sunflower Farming

D. LOCAL & NATIONAL NEED

Major interventions under Local and National Interest in India

United Against Child Labour (UACL)
3 years
6 states
More than 3,500 growers made aware

School sanitation
6 years
57 sanitation blocks,
14500 students benefited

Project "Asptal" – Mobile Medical Service at Hamirpur, Himachal Pradesh
3 years 1 Medical Unit
5 Districts 2 lakh OPDs

Unnati (Building capacity of CBOs)
5 years
12 Community Based Organisations empowered
11,00,002+ Beneficiaries benefited by these CBOs

Safety trainings
7 years
More than 42,000 participants sensitised

Support to Seva Yagna Samiti, Bharuch for Neonatal Care
4 Years
361 new-born treated

My Super Ward
3 years
55 awareness drive & 2,235 people made aware
1,900+ installations
666 nos. of Civic complaints received
338 complaints resolved

Global Parli
4 years
106 villages positively impacted.
18 webinars organised to benefit various stakeholders.
20 lakh fruit trees planted

Friends of Tribal Society, MP
2 years
454 One Teacher School – Supported
13,139 students Covered
Location: Umaria and Shahdol region, Madhya Pradesh

Interventions in other countries:

- The **complementary education programme with the "Life Association"** and creating opportunities and conditions for young people in their dream to build a better **Brazil**.
- Life Association has distributed over 1,400 food baskets to the families of young people enrolled in the Campinas-SP and Sorriso-MT Programme
- In Piedra Blanca ejido, Mexico for students to take their classes remotely from their homes, 26 Tablets "LENOVO 7" were donated along with placement of a receiving antenna for the satellite internet service, which will allow quick and efficient access to their online classes. This majorly impacts the kindergarten and secondary school.
- **One Billion Hearts Initiative** at Côte d'Ivoire with The Heart Fund to provide universal access to **cardiovascular health** for 1 billion people by 2030.
- **UPL has joined forces with the FIFA Foundation** to Promote and raise awareness about **sustainable development in agriculture and education** in society through football with FIFA Foundation.
- Partnership with **Oxford India Centre for Sustainable Development (OICSD)** at Somerville College, University of Oxford, UK to advance education on sustainability with a greater focus on small-holder farmers in the developing world.
- Working with **Agri Farm widows in India** to provide sustainable livelihood through skilling, micro-enterprise, and market linkages.
- Supporting **Special Care Centre in India** 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.

COVID-19 RELIEF WORK

As the world was battling the COVID-19 pandemic last year in March 2020, UPL's COVID response team went into overdrive worldwide immediately.

- In India, UPL donated ₹ 75 crore (nearly USD 10 million) and supplied USD 3.3 million worth of Personal Protective Equipment (PPEs) to external stakeholders.
  - ₹ 1 crore (~USD 135,000) contributed to the Mumbai Police Foundation.
  - 9,000 ltrs. of hand sanitiser provided to police officers, medical staff and other frontline workers.
  - 53,60,000 ltrs. of Sodium Hypochlorite (1% solution) provided to sanitise municipalities, Government Offices and Villages.
  - 100,000 masks imported for the Govt. of Maharashtra.
  - 200 sprayers and 225 members provided for sanitisation work through our sprayers covering 700+ villages.
  - 31,100 cotton masks made by UPL's women self-help groups distributed to communities and administrative staff.
  - 5,000 food packets and water bottles provided to frontline soldiers and migrating community.
  - 4,300+ ration kits distributed to poor families.
  - 80,000 masks, suits and eye glasses (PPE) provided to Government medical staff
  - 1,000 PPE kits provided to the Mumbai Fire Department.
- Protective gears and safety equipment were provided in Cuba, Colombia, Indonesia, across Europe and North America. Other initiatives, like awareness drives were held in Vietnam and Ivory Coast. Food supplies were donated to the underprivileged in Costa Rica, Cambodia, and Cuba.

- UPL also began country specific initiatives such as a 24-hour telephone support for all families and young people to guide and create awareness on staying at home and sanitisation, and distribution of Vitamin D to families and young people through a partnership with the Equaliv laboratory in Brazil.
- In Colombia, UPL focused on marginalised people, the elderly, and mothers to provide help and food supplies. In Costa Rica and Canada, UPL purchased farmers' produce which was then in turn donated to the needy.

Employee Engagement Programme of UPL (We are United)

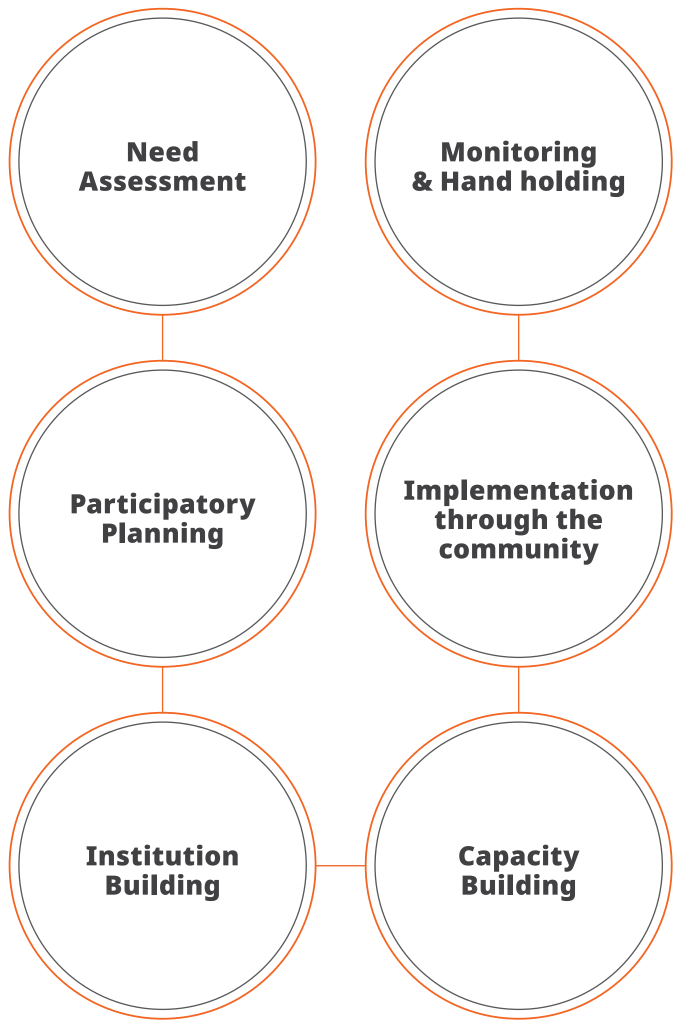
FY	No. of volunteers	Volunteer Hours	Man-days devoted for Community Development Programme
2014-2015	102	2727	341
2015-2016	152	3871	484
2016-2017	123	3866	483
2017-2018	125	3023	378
2018-2019	147	4863	608
2019-2020	219	6066	758
2020-2021	182	8633	1079
Total	**1050**	**33049**	**4131**

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.

UPL Strategy for CSR initiatives focus on participation of the stakeholders/ community in all stages of the project cycle. All our interventions emphasizes on the needs, strengths and growth of the community. The below diagram explains the approaches, we adopt to execute any interventions.

Our interventions have been designed and implemented to provide sustainable livelihood through improved agricultural practices, where all the interventions were planned and implemented with the support of farmer groups at the village level to make it more effective.

Initiatives are implemented through community from planning to final execution. We ensure that the communities are involved in every stage of planning, procuring, implementing and ensuring quality of work implementation. Apart from their participation, they also contributed financially/through labour.



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.

Quality Control team indicates that Total Quality complaints generated in SAP system was 72 nos.,out of these 72, 71 cases were resolved as on date (98.61%).

Only 1 case is open for Product START 250FS 4X5L as the Quality control team is awaiting feedback from Customer.

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)

Our product labels display all the necessary information that is essential to ensure safety and efficacious product labels under the preview of CIB regulations and legal metrology guidelines issued by respective countries regulatory authorities.

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 focused 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 Centre on regular basis with Farmer and Dealer to understand satisfaction levels and concerns if any.

The Company has its call centres at various locations in India like Mumbai, Visakhapatnam and Chandigarh under the brand of "Adarsh Kisan Centre"(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 centres 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.

The Survey was successful and helped us in leveraging opportunities in terms of improvising our products and services, also helped us to improve customer delight.

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	UPL Global Business Services Limited (formerly Shroffs United Chemicals Limited)		INR	1.00	0	(0)	1	1	-	-	(1)	0	(1)	-	100%
2	SWAL Corporation Limited		INR	1.00	1	148	582	433	0	902	38	(10)	28	-	100%
3	United Phosphorus (India) LLP		INR	1.00	2	104	1,171	1,065	-	1,984	55	(20)	35	-	100%
4	United Phosphorus Global LLP		INR	1.00	0	0	0	0	-	-	0	(0)	0	-	100%
5	UPL Sustainable Agri Solutions Limited (formerly Optima Farm Solutions Limited)		INR	1.00	2	71	125	52	-	243	23	(6)	17	-	100%
6	UPL Europe Limited		EUR	85.85	8,987	7,320	37,167	20,882	22	1,016	7,082	(22)	7,060	-	78%
7	United Phosphorus Polska Sp.z o.o		PLN	18.53	0	(0)	-	0	-	-	(0)	-	(0)	-	78%
8	UPL Benelux B.V.		EUR	85.85	0	193	397	204	-	398	34	(9)	26	-	78%
9	Cerexagri B.V.		EUR	85.85	451	(179)	528	255	-	246	(295)	74	(222)	-	78%
10	UPL Holdings Cooperatief U.A		EUR	85.85	7,869	(3,075)	14,115	9,320	-	-	(138)	67	(72)	-	78%
11	UPL Holdings BV (FKA United Phosphorus Holdings B.V., Netherlands)		EUR	85.85	4,951	137	7,373	2,285	-	-	60	(13)	47	-	78%
12	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.		EUR	85.85	32	(1)	32	1	-	-	(0)	-	(0)	-	78%
13	Decco Worldwide Post-Harvest Holdings B.V.		EUR	85.85	32	7	214	175	-	-	4	-	4	-	78%
14	UPL Holdings Brazil B.V. (FKA United Phosphorus Holding, Brazil B.V.)		EUR	85.85	3,363	(172)	3,186	368	373	-	(18)	5	(13)	-	78%
15	UPL Italia S.R.L.		EUR	85.85	2	141	551	408	0	711	0	(1)	(0)	-	78%
16	UPL Iberia, S.A.		EUR	85.85	2	82	245	161	0	530	30	(7)	22	43	78%
17	Decco Iberica Postcosecha, S.A.U.		EUR	85.85	2	151	181	29	0	147	31	(7)	23	-	78%
18	Transterra Invest, S. L. U.		EUR	85.85	74	195	826	557	-	43	74	(3)	71	-	78%
19	Cerexagri S.A.S.		EUR	85.85	114	351	598	134	-	630	93	(24)	69	-	78%
20	UPL France		EUR	85.85	30	108	892	754	-	374	46	0	46	-	78%
21	Decco Italia SRL		EUR	85.85	9	54	95	31	-	57	9	(2)	7	-	78%
22	Limited Liability Company "UPL"		RUB	0.97	17	(11)	288	281	-	286	10	(7)	3	-	78%
23	Decco Portugal Post Harvest LDA		EUR	85.85	0	(0)	0	0	-	1	0	(0)	0	-	78%
24	UPL NA Inc. (formerly known as United Phosphorus Inc.)		USD	73.11	7,075	(4,711)	8,079	5,721	5	5,590	212	(119)	93	-	78%

Amount in (₹) crore

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25	Cerexagri, Inc. (PA)		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
26	UPL Delaware, Inc.		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
27	Decco US Post-Harvest Inc		USD	73.11	0	(56)	285	341	-	315	130	(21)	110	-	78%
28	Essentiv LCC		USD	73.11	-	-	-	-	-	-	-	-	-	-	39%
29	RiceCo LLC		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
30	Riceco International, Inc.		USD	73.11	0	330	335	5	-	79	28	-	28	-	78%
31	UPL Corporation Limited		USD	73.11	132	15,412	42,686	27,183	41	3,791	906	(29)	877	-	78%
32	UPL Management DMCC		USD	73.11	2	888	1,752	861	-	3,609	746	-	746	-	78%
33	UPL LIMITED,Gibraltor		USD	73.11	0	14	14	0	-	7	16	-	16	-	78%
34	UPL Agro S.A. de C.V.		MXN	3.58	434	(236)	1,954	1,756	-	1,650	(142)	37	(106)	-	78%
35	Decco PostHarvest Mexico		MXN	3.58	0	(11)	14	25	-	12	1	-	1	-	78%
36	Perrey Participações S.A		BRL	12.83	-	-	-	-	-	-	-	-	-	-	78%
37	Uniphos Industria e Comercio de Produtos Quimicos Ltda.		BRL	12.83	1,379	(1,091)	288	0	-	-	(356)	-	(356)	-	78%
38	UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A.		BRL	12.83	1,613	(1,039)	9,912	9,345	7	8,384	(989)	218	(771)	-	75%
39	UPL Costa Rica S.A.		CRC	0.12	0	4	429	425	-	580	6	0	7	-	78%
40	UPL Bolivia S.R.L		BOB	10.57	16	(24)	188	197	-	156	23	(5)	18	-	78%
41	UPL SL Argentina S.A.		USD	73.11	3	(2)	0	-	-	-	0	-	0	-	78%
42	UPL Argentina S A		USD	73.11	1,001	(952)	723	675	-	668	(60)	(1)	(60)	-	78%
43	Decco Chile SpA		CLP	0.10	0	24	63	38	-	50	3	(2)	1	-	78%
44	UPL Colombia SAS		COP	0.02	35	19	425	371	-	572	27	(10)	17	-	78%
45	United Phosphorus Cayman Limited		USD	73.11	-	159	895	736	0	809	134	(78)	56	-	78%
46	UP Aviation Limited		USD	73.11	0	15	40	25	-	31	1	-	1	-	78%
47	UPL Australia Pty Limited (Formerly known as UPL Austarlia Limited)		AUD	55.67	127	48	688	515	2	403	8	(1)	7	-	78%
48	UPL Shanghai Limited		RMB	11.16	-	-	-	-	-	-	-	-	-	-	78%
49	UPL Jiangsu Limited		RMB	11.16	-	-	-	-	-	-	-	-	-	-	55%
50	PT.UPL Indonesia		IDR	0.01	0	(10)	85	95	-	108	5	-	5	-	78%
51	PT Catur Agrodaya Mandiri		IDR	0.01	1	(4)	74	77	-	89	4	(1)	3	-	78%
52	UPL Limited,Hong Kong		USD	73.11	72	430	2,020	1,518	-	2,097	117	0	117	-	78%
53	UPL Philippines Inc.		PHP	1.51	4	6	124	114	-	75	(5)	1	(4)	-	78%
54	UPL Vietnam Co. Limited		VND	0.00	5	152	341	184	-	309	33	(7)	26	-	78%
55	UPL Japan GK		JPY	0.66	4,286	(215)	10,639	6,611	43	326	(190)	(0)	(190)	-	78%
56	Anning Decco Fine Chemical Co. Limited		RMB	11.16	9	32	49	8	-	56	6	(1)	4	-	43%
57	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi		TRY	8.86	87	(104)	425	442	-	274	(72)	(1)	(73)	-	78%
58	UPL Agromed Tohumculuk S.A,Turkey		TRY	8.86	8	(29)	13	35	-	14	(6)	1	(5)	-	78%
59	Safepack Products Limited		ILS	21.89	-	0	0	0	-	0	(0)	-	(0)	-	78%

Amount in (₹) crore

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60	Citrashine (Pty) Ltd		ZAR	4.95	0	(3)	31	34	-	42	1	(0)	1	-	78%
61	Prolong Limited		ILS	21.89	-	-	-	-	-	-	-	-	-	-	78%
62	Agrinet Solutions Limited		INR	1.00	2	1	1	0	2	-	(0)	-	(0)	-	50%
63	Advanta Holdings B.V.		EUR	85.85	254	318	2,308	1,735	-	-	2	-	2	-	78%
64	Advanta Netherlands Holding B.V.		EUR	85.85	0	348	407	59	-	27	(17)	-	(17)	-	78%
65	Advanta US LLC (formerly known as Advanta U.S. Inc.)		USD	73.11	261	(336)	320	394	-	159	(47)	-	(47)	-	78%
66	Advanta Seeds International		USD	73.11	77	1,010	1,628	541	-	350	146	(4)	141	-	78%
67	Advanta Seeds DMCC		AED	19.90	1	146	165	18	-	29	(4)	-	(4)	-	78%
68	Advanta Comercio De Sementes LTDA.		BRL	12.83	358	(364)	158	303	139	116	(93)	-	(93)	-	78%
69	Advanta Seeds Pty Ltd		AUD	55.67	28	311	460	190	69	257	47	(7)	40	-	78%
70	Pacific Seeds (Thai) Limited		THB	2.34	14	587	814	214	-	423	122	(24)	98	-	78%
71	Pacific Seeds Holdings (Thailand) Limited		THB	2.34	0	167	167	0	-	-	(0)	-	(0)	-	78%
72	PT Advanta Seeds Indonesia		IDR	0.01	12	(68)	69	125	-	40	(19)	(10)	(29)	-	78%
73	Advanta Seeds Ukraine LLC		UAH	2.63	9	(3)	28	23	-	12	(3)	-	(3)	-	78%
74	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)		USD	73.11	0	1,563	5,469	3,934	28	5,923	482	-	482	-	78%
75	Riceco International Bangladesh Ltd		BDT	0.86	4	9	35	23	-	33	9	(3)	5	-	78%
76	Uniphos Malaysia Sdn Bhd		MYR	17.63	2	0	13	11	-	13	0	0	0	-	78%
77	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.		TRY	8.86	3	3	41	36	-	31	1	(0)	1	-	78%
78	Arysta LifeScience Australia Pty Ltd.		AUD	55.67	3	101	148	45	-	-	16	(5)	11	-	78%
79	Naturagri Soluciones, SLU		EUR	85.85	20	30	55	4	-	10	1	(0)	1	-	78%
80	Arysta LifeScience Benelux SPRL		EUR	85.85	105	685	1,460	671	-	1,558	402	(92)	311	-	78%
81	ANESA S.A.		EUR	85.85	94	89	354	171	-	-	57	(15)	42	1,889	78%
82	Arysta LifeScience (Mauritius) Ltd		USD	73.11	369	154	560	37	-	93	23	(1)	22	-	78%
83	UPL South Africa (Pty) Ltd		ZAR	4.95	34	172	1,097	921	30	1,386	73	(19)	54	-	78%
84	Arysta LifeScience Chile S.A.		USD	73.11	70	434	608	104	-	607	130	(36)	95	-	78%
85	Arysta LifeScience Colombia S.A.S		COP	0.02	3	86	198	109	-	151	(15)	(2)	(16)	-	78%
86	Arysta LifeScience Mexico, S.A.de C.V		MXN	3.58	44	216	852	593	-	450	50	(24)	26	-	78%
87	Grupo Bioquimico Mexicano, S.A. de C.V.		MXN	3.58	236	707	1,114	171	-	349	49	(18)	30	-	78%
88	Arysta LifeScience Costa Rica SA.		CRC	0.12	0	(3)	2	5	-	-	2	(1)	1	-	78%
89	Arysta-LifeScience Ecuador S.A.		USD	73.11	7	7	47	33	-	28	1	(0)	0	-	78%
90	UPL Hellas S.A. (FKA Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services)		EUR	85.85	19	(7)	164	152	-	195	2	(1)	1	-	78%

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91	Sci PPWJ		EUR	85.85	-	1	1	0	-	-	0	-	0	0	78%
92	Arysta LifeScience Japan Holdings Goudou Kaisha		JPY	0.66	1,518	(0)	1,518	0	-	-	(0)	-	(0)	-	78%
93	Arysta LifeScience Cameroun SA		XAF	0.13	11	(14)	130	133	-	126	1	(3)	(1)	-	78%
94	Arysta LifeScience (Shanghai) Co., Ltd.		RMB	11.16	24	(24)	0	0	-	49	(14)	-	(14)	-	78%
95	Arysta Health and Nutrition Sciences Corporation		JPY	0.66	33	155	260	83	10	490	78	(25)	53	-	78%
96	Arysta LifeScience Corporation		JPY	0.66	7	1,967	7,419	5,466	20	663	698	13	712	786	78%
97	Arysta LifeScience S.A.S.		EUR	85.85	161	282	1,732	1,303	14	1,114	101	(36)	66	567	78%
98	UPL Deutschland GmbH		EUR	85.85	21	39	373	313	-	518	11	(7)	4	-	78%
99	UPL Polska Sp. z.o.o		PLN	18.53	3	72	230	155	-	299	(8)	1	(7)	-	78%
100	Arysta LifeScience Peru S.A.C		USD	73.11	0	3	6	2	-	10	1	(1)	1	-	78%
101	GBM USA LLC		USD	73.11	0	(9)	-	8	-	-	-	-	-	-	78%
102	Arysta LifeScience S.R.L.		BOB	10.57	0	47	60	13	-	0	(3)	-	(3)	-	52%
103	MacDermid Agricultural Solutions Australia Pty Ltd		AUD	55.67	-	-	-	-	-	-	-	-	-	-	78%
104	Arysta LifeScience Services LLP		INR	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	78%
105	Arysta LifeScience India Limited		INR	1.00	5	132	271	134	0	358	40	(9)	31	-	78%
106	Arysta LifeScience Agriservice Private Limited		INR	1.00	0	0	0	0	-	-	(0)	-	(0)	-	78%
107	Arysta Agro Private Limited		INR	1.00	0	(0)	0	0	-	0	(0)	(0)	(0)	-	78%
108	Arysta LifeScience Ougrée Production Sprl		EUR	85.85	26	83	216	106	-	24	34	(10)	24	-	78%
109	Arysta LifeScience U.K. BRL Limited		USD	73.11	-	18	43	25	-	-	151	0	151	18	78%
110	Arysta LifeScience UK & Ireland Ltd		GBP	100.88	0	3	3	-	-	-	(0)	-	(0)	-	78%
111	United Phosphorus Global Services Limited		EUR	85.85	24	(119)	423	518	-	2	(4)	-	(4)	-	78%
112	Arysta LifeScience U.K. JPY Limited		JPY	0.66	0	4,210	4,224	14	-	-	226	-	226	-	78%
113	Arysta LifeScience U.K. Limited		GBP	100.88	0	0	0	0	-	-	(60)	-	(60)	0	78%
114	Arysta Lifescience U.K. Holdings Limited		USD	73.11	0	(0)	-	-	-	-	(0)	-	(0)	-	78%
115	UPL Agricultural Solutions Romania SRL (FKA Arysta LifeScience Romania SRL)		RON	17.45	7	14	103	82	-	174	7	(2)	5	-	78%
116	Arysta LifeScience Global Limited		USD	73.11	3,665	(164)	3,691	190	-	-	(181)	(51)	(231)	-	78%
117	Arysta LifeScience U.K. CAD Limited		CAD	58.15	0	(0)	-	-	-	-	0	-	0	-	78%
118	Arysta LifeScience European Investments Limited		USD	73.11	0	(0)	-	-	-	-	(1,265)	-	(1,265)	-	78%
119	Arysta LifeScience Great Britain Ltd		GBP	100.88	21	(395)	496	870	-	60	9	1	10	-	78%
120	Arysta LifeScience U.K. USD Limited		USD	73.11	0	21	25	3	-	-	(5,647)	-	(5,647)	40	78%

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121	Arysta LifeScience U.K. EUR Limited		EUR	85.85	0	2	2	0	-	-	10	-	10	2	78%
122	Arysta LifeScience Netherlands BV		EUR	85.85	752	(453)	472	173	-	351	54	(13)	41	-	78%
123	UPL Agricultural Solutions Holdings BV		EUR	85.85	5,465	1,440	10,640	3,735	-	149	3,193	43	3,237	-	78%
124	UPL Agricultural Solutions		EUR	85.85	274	(247)	30	3	-	1	30	-	30	-	78%
125	UPL Bulgaria EOOD (FKA Arysta LifeScience Bulgaria EOOD)		BGN	43.92	1	23	47	23	-	80	8	(1)	7	-	78%
126	Vetopharma Iberica SL		EUR	85.85	6	(11)	2	7	-	2	0	-	0	-	78%
127	Platform Sales Suisse GmbH		EUR	85.85	369	(878)	558	1,067	-	711	(22)	(0)	(22)	-	78%
128	Laboratoires Goëmar SAS		EUR	85.85	4	(293)	422	711	0	286	112	(34)	78	-	78%
129	Vetophama SAS		EUR	85.85	15	194	253	45	-	187	32	(12)	20	-	78%
130	Betel Reunion S.A.		EUR	85.85	2	4	6	0	-	3	0	-	0	-	51%
131	UPL Czech s.r.o. (FKA Arysta LifeScience Czech s.r.o.)		CZK	3.29	2	24	63	37	-	91	3	(1)	2	-	78%
132	UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság. (FKA Arysta LifeScience Magyarorszag Kft.)		HUF	0.24	3	57	132	73	0	147	11	(1)	10	-	78%
133	Arysta LifeScience Vostok Ltd.		RUB	0.97	25	(45)	10	30	-	7	2	(0)	1	-	78%
134	Arysta LifeScience RUS LLC		RUB	0.97	48	79	189	62	-	250	3	(3)	0	-	78%
135	UPL Slovakia S.R.O (FKA Arysta LifeScience Slovakia S.R.O.)		EUR	85.85	2	5	34	27	-	37	(0)	(0)	(0)	-	78%
136	UPL Ukraine LLC (FKA Arysta LifeScience Ukraine LLC)		UAH	2.63	0	49	200	151	-	135	14	4	18	-	78%
137	Arysta LifeScience Inc.		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
138	Arysta LifeScience Management Company, LLC		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
139	Arysta LifeScience America Inc.		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
140	UPL Agrosolutions Canada Inc		CAD	58.15	1,037	1,689	3,135	409	-	590	48	1	49	-	78%
141	Arysta LifeScience North America, LLC		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
142	Arysta LifeScience NA Holding LLC		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
143	Netherlands Agricultural Investment Partners LLC		USD	73.11	49	16	65	-	-	-	0	-	0	-	78%
144	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.		MXN	3.58	2	35	38	1	-	1	3	(1)	2	-	78%
145	Omega Agroindustrial, S.A. de C.V.		MXN	3.58	0	20	22	2	-	54	19	(10)	10	-	78%
146	Servicios Agricolas Mundiales SA de CV		MXN	3.58	1	7	12	4	-	22	6	(6)	(0)	-	78%
147	Tesaurus Mexico S.A. de C.V.		MXN	3.58	0	(0)	-	-	-	-	(0)	-	(0)	-	78%
148	Arysta LifeScience de Guatemala, S.A.		GTQ	9.48	16	4	84	64	-	95	7	(2)	5	-	78%

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149	Arysta LifeScience Paraguay S.R.L.		USD	73.11	20	29	94	45	-	(0)	(11)	1	(11)	-	78%
150	UPL New Zealand Limited (FKA Etec Crop Solutions Limited)		NZD	51.15	1	67	96	29	0	169	31	(9)	22	26	78%
151	UPL Limited Korea (FKA Arysta LifeScience Korea Ltd.)		KRW	0.06	13	3	85	68	-	50	14	6	20	-	78%
152	Arysta LifeScience Pakistan (Pvt.) LTD.		PKR	0.48	2	51	71	17	-	78	17	(5)	13	-	78%
153	Myanmar Arysta LifeScience Co., Ltd.		MMK	0.05	0	84	116	32	-	7	(2)	0	(2)	-	78%
154	Arysta LifeScience (Thailand) Co., Ltd.		THB	2.34	6	48	61	7	-	50	1	0	2	-	78%
155	Pt. Arysta LifeScience Tirta Indonesia		IDR	0.01	2	32	54	19	-	39	6	(1)	4	1	39%
156	Arysta LifeScience Philippines Inc.		PHP	1.51	2	(59)	20	78	-	9	(0)	(0)	(0)	-	78%
157	Arysta LifeScience Vietnam Co., Ltd.		VND	0.00	5	76	116	35	-	101	(3)	3	0	-	78%
158	Arysta LifeScience Asia Pte., Ltd.		USD	73.11	31	44	76	1	-	-	1	(0)	0	-	78%
159	Agrifocus Limitada		MZN	1.06	1	139	192	53	-	170	46	(14)	33	-	78%
160	Anchorprops 39 (Pty) Ltd		ZAR	4.95	0	3	6	4	-	-	(0)	-	(0)	-	78%
161	UPL Holdings SA (Pty) Ltd		ZAR	4.95	27	(24)	96	93	-	-	(2)	-	(2)	-	78%
162	Callietha Investments (Pty) Ltd		ZAR	4.95	-	-	-	-	-	-	(16)	-	(16)	-	78%
163	Volcano Agroscience (Pty) Ltd		ZAR	4.95	0	165	225	73	13	538	33	(9)	24	-	78%
164	Volcano Chemicals (Pty) Ltd		ZAR	4.95	-	-	-	-	-	-	(0)	-	(0)	0	78%
165	Sidewalk Trading (Pty) Ltd		ZAR	4.95	0	(0)	0	0	-	-	(0)	-	(0)	-	78%
166	Arysta LifeScience Kenya Ltd.		KES	0.67	0	(2)	73	74	-	57	(5)	1	(4)	-	78%
167	Arysta LifeScience Tanzania Ltd		TZS	0.03	0	(7)	15	22	-	13	(1)	(0)	(1)	-	78%
168	UPL Egypt Ltd (FKA Arysta LifeScience Egypt Ltd)		EGP	4.65	2	(1)	4	3	-	2	(2)	1	(2)	-	78%
169	UPL Togo SAU		XOF	0.13	5	(5)	3	4	-	3	(1)	(0)	(1)	-	78%
170	Calli Ghana Ltd.		GHS	12.64	1	(5)	54	58	-	62	3	(1)	2	-	78%
171	Callivoire SGFD S.A.		XOF	0.13	3	38	213	172	-	193	(3)	(4)	(7)	-	78%
172	Mali Protection Des Cultures (M.P.C.) SA		XOF	0.13	4	(7)	67	70	-	14	(13)	(0)	(13)	-	66%
173	Arysta LifeScience Switzerland Sarl		CHF	77.47	0	0	0	0	-	0	0	(0)	(0)	-	78%
174	Arysta LifeScience CentroAmerica, S.A.		GTQ	9.48	0	-	0	-	-	-	-	-	-	-	78%
175	Arvesta Corporation		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
176	Arysta LifeScience Registrations Great Britain Ltd		GBP	100.88	0	-	0	-	-	-	-	-	-	-	78%
177	Industrias Agriphar SA		GTQ	9.48	0	-	0	-	-	-	-	-	-	-	78%
178	Arysta LifeScience Corporation Republica Dominicana, SRL		USD	73.11	0	-	0	-	-	-	-	-	-	-	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
179	Grupo Bioquimico Mexicano Republica Dominicana SA		DOP	1.29	0	-	0	-	-	-	-	-	-	-	78%
180	Arvesta Paraguay S.A.		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
181	Arysta Agroquimicos y Fertilzantes Uruguay SA		USD	73.11	0	(2)	0	2	-	-	-	-	-	-	78%
182	Arysta LifeScience U.K. USD-2 Limited		USD	73.11	0	-	0	-	-	-	-	-	-	-	78%
183	UPL Zambia Limited		ZMW	3.31	0	-	0	-	-	-	-	-	-	-	78%
184	Advanta Biotech General Trading Limited		AED	19.90	0	2	8	6	-	5	2	-	2	-	78%
185	Advanta Semillas S.A.I.C		USD	73.11	94	80	357	183	-	344	87	(48)	40	-	78%
186	Hannaford Nurture Farm Exchange Pty Ltd		AUD	55.67	0	(1)	3	4	-	-	(1)	0	(1)	-	78%
187	UPL Nicaragua, Sociedad Anónima (FKA Bioquim Nicaragua, Sociedad Anónima)		NIO	2.09	0	(14)	31	45	-	41	(6)	(1)	(7)	-	78%
188	UPL Mauritius Limited		USD	73.11	0	0	0	0	-	-	0	-	0	-	78%
189	Industrias Bioquim Centroamericana S.A		CRC	0.12	16	59	180	105	-	48	9	(4)	6	-	78%
190	Ingeagro S.A		CLP	0.10	9	2	14	3	-	6	2	(1)	2	-	58%
191	Bioquim Panama, Sociedad Anónima		USD	73.11	0	(2)	0	2	-	-	(0)	-	(0)	-	78%
192	UPL Paraguay S.A.		USD	73.11	5	25	298	268	-	257	4	(1)	4	-	78%
193	Biochemish Dominicana, SRL		DOP	1.29	0	-	0	-	-	-	-	-	-	-	78%
194	Nutriquim de Guatemala, S.A		GTQ	9.48	0	-	0	-	-	-	-	-	-	-	78%
195	Natural Plant Protection Limited		INR	1.00	0	(3)	13	16	-	0	(4)	1	(3)	-	93%
196	Laoting Yoloo Bio-Technology Co. Ltd		CNY	11.16	223	(126)	471	374	-	308	(64)	(0)	(64)	-	78%
197	UPL Portugal, Unipessoal, LDA		EUR	85.85	0	0	2	2	-	4	0	(0)	0	-	78%
198	Federation of Agri-Value Chain, Manufacturers and Exporters		INR	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	100%
199	United Phosphorus Switzerland Limited		USD	73.11	0	3,436	3,439	2	-	-	(1)	(0)	(1)	-	78%
200	United Phosphorous Holdings UK Limited		EUR	85.85	2,969	(0)	2,969	0	-	-	(0)	-	(0)	-	78%
201	Nurture Agtech Private Limited (formerly AFS Agtech Private Limited)		INR	1.00	0	22	49	27	-	3	(34)	8	(26)	-	100%
202	UPL Services LLC		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
203	UPL Agro Ltd		USD	73.11	-	-	-	-	-	-	-	-	-	-	78%
204	Agripraza Ltda.		EUR	85.85	-	-	-	-	-	-	-	-	-	-	78%

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 Mauritius Limited, Advanta Biotech General Trading Ltd, Hannaford Nurture Farm Exchange Pty Ltd, Federation Of Agri-Value Chain, Manufacturers And Exporters (Viz FAME) and UPL Zambia Limited have been formed during the year
5. Laoting Yoloo Bio-Technology Co. Ltd, Anhui Yoloo Hexie Plant Protection Co. Ltd. and INGEAGRO S.A have been acquired during the year
6. Uniphos Industria e Comercio de Produtos Quimicos Ltda. Results include the result of Perrey Participações S.A
7. Bioquim, Sociedad Anónima, Arysta LifeScience Kiev LLC, Agriphar SDN BHD, Chemtura (Thailand) Ltd, MacDermid (Shanghai) Chemical Ltd, CHINA,Canegrass LLC, USA, UPI Finance LLC,Agriphar Poland Sp. Zoo, Arysta LifeScience SPC, LLC, Dutch Agricultural Investment Partners LLC, Arysta LifeScience Investments LLC, Agrodan, ApS, UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited) and Anhui Yoloo Hexie Plant Protection Co. Ltd. have been liquidated during the year
8. UPL Agricultural Solutions Netherlands BV was merged into UPL Agricultural Solutions Holdings B.V.
9. Neo-Fog S.A. was merged into UPL France(formerly Known as AS pen SAS).
10. Natural Plant Protection S.A.S was merged into Laboratoires Goëmar SAS
11. Arysta LifeScience Holdings France SAS was merged into Laboratoires Goëmar SAS
12. Arysta Canada BC Inc. was merged into UPL Agrosolution Canada DC
13. Arysta LifeScience Mexico Holding S.A.de C.V was merged into UPL Agro SA DE CV.
14. Bioenzymas S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.
15. Agroquimicos y Semillas, S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.
16. Tecno Extractos Vegetales, S.A. de C.V was merged into Grupo Bioquimico Mexicano, S.A. de C.V.
17. Procultivos, Sociedad Anónim was merged into Industrias Bioquim Centroamericana, Sociedad Anónima
18. Inversiones Lapislazuli Marino, Sociedad Anónima was merged into Industrias Bioquim Centroamericana, Sociedad Anónima
19. Arysta LifeScience Argentina S.A. was merged into UPL Argentina S A (Formerly known as Icona S A - Argentina)
20. UPL New Zealand Limited (Formerly known as United Phosphorus Limited, New Zealand) was merged into UPL New zealand Ltd (FKA Etec Corp solution Limited)
21. Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi was merged into UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi(Formerly Known as Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey)
22. Arysta LifeScience Technology BV was merged into Arysta LifeScience Netherlands BV
23. Exchange rate in INR is per thousand of COP, IDR & VND and for JPY Exchange rate in INR 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	Eswatini Agricultural Supplies Limited	Société des Produits Industriels et Agricoles
1	Last Audited/Reviewed Balance sheet date	31.03.2021	31.03.2021	31.12.2020	31.12.2020	31.12.2020	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
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	01.11.2020	31.01.2019
3	Shares of Associates/ Joint ventures held by the Company for the year end No.	48,214	3,350,000	454,307,170	30,000	103,016,215	88,223	200	260	241,071	251	1,004	251	1,785,000	1,920	28	52,398
	Amount of Investment in Associate/Joint venture	10	6	-	61	145	76	25	5	8	7	8	0	0	13	2	14
	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%	25.5%	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	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	By Holding Equal to more than 20% shares	By Holding Equal to more than 20% shares
5	Reason why to associate/ joint venture is not consolidated	NA	NA	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	6	6	-	10	154	56	25	1	10	9	5	0	0	9	2	14
7	Profit/(Loss) for the year	(1)	0	-	4	13	17	3	(0)	0	2	1	0	(0)	2	0	1
i	Considered in consolidation																
ii	Not considered in consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:

1. CGNS Limited has been liquidated during the year

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, 2021, 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, 2021, 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 2016-17 with effect from April 1, 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, 2021 would have been higher by ₹ 370 crore and goodwill and equity as at March 31, 2021 would have been higher by ₹ 2,212 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 judgement, 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.

Independent Auditors' Report (Contd.)

DESCRIPTION OF KEY AUDIT MATTER

Revenue recognition, rebates and sales returns

Refer Note 2.2 (b) and 2.3 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. • 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.

Revenue recognition, rebates and sales returns as per signed FS

Refer Note 2.2 (b) and 2.3 to accounting policies and Note 21 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
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 2.3 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 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 assessed appropriateness of the year-end rebate accrual by comparing the current year-end customer rebate accruals and rebate costs with the prior year rebate accruals and rebate cost taking into account the actual sales for the current year and prior year. We also performed a retrospective review by verifying, on a sample basis, that the actual cost incurred booked in the current year which pertained to prior year was appropriately accrued as at prior year-end and also, by verifying, on a sample basis, that there has been no significant reversal from the accrual as at prior year.

Independent Auditors' Report (Contd.)

Valuation of goodwill

Refer note 2.2 (d) and 2.3 to accounting policies and note 4 and 49 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
• As at March 31, 2021, the Company had 1,485 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 judgemental 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/loss 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 judgements 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

Independent Auditors' Report (Contd.)

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 judgement 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021 on its financial position in its standalone financial statements – Refer Note 35 (b) and (c) to the standalone financial statements;

    ii. The Company did not have long-term contracts including derivative contracts for which there were any material forceable losses;

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

    iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended March 31, 2021.

    (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: 21042070AAAABO5479

Place: Mumbai
Date: May 12, 2021

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 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, 2021 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. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, reporting under clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

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, 2021 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
Professional Tax	Tax	0.02	April 2018 to September 2019	Various	Unpaid

Annexure A to the Independent Auditors' Report on standalone financial statements (Contd.)

(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, 2021, 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	24	5	FY 1985-86, 1995-96, 2005-06 to 2007-08, 2011-12, to 2014-15	Supreme Court, Jt Commissioner of Sales tax - Maharashtra, Sales tax Tribunal – Ahmedabad
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
Customs Act	Customs 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	1	1	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: 21042070AAAABO5479

Place: Mumbai
Date: May 12, 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of UPL Limited for the year ended March 31, 2021.

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 of March 31, 2021 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, 2021, 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 standalone financial statements.

Annexure B to the Independent Auditors' report on the standalone financial statements of UPL Limited for the year ended March 31, 2021. (Contd.)

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: 21042070AAAABR3182

Place: Mumbai
Date: May 12, 2021

Standalone Balance Sheet

as at March 31, 2021

₹ in crore

	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	3	3,747	3,145
Capital work-in-progress	3	638	804
Goodwill	4	1,485	1,855
Other intangible assets	4	232	249
Right of use assets	48	134	105
Intangible assets under development	4	84	82
Financial assets			
(i) Investments	5	1,441	1,406
(ii) Loans	6	71	64
(iii) Other financial assets	7	33	35
Income tax assets (Net)		39	257
Other non-current assets	8	122	140
Total Non-current assets		**8,026**	**8,142**
Current assets			
Inventories	9	1,943	1,316
Financial assets			
(i) Trade receivables	10	4,046	3,161
(ii) Cash and cash equivalents	11	281	138
(iii) Bank balances other than (ii) above	11A	53	25
(iv) Loans	6	2	2
(v) Other financial assets	7	276	241
Other current assets	8	656	777
Total Current assets		**7,257**	**5,660**
Non-current Assets held-for-sale	5A	**-**	**26**
Total Assets		**15,283**	**13,828**
Equity and liabilities			
Equity			
Equity share capital	12	153	153
Other equity	13	7,633	7,871
Total Equity		**7,786**	**8,024**
Liabilities			
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	14	384	458
(ii) Lease liabilities	48	86	82
(iii) Other financial liabilities	15	3	3
Deferred tax liabilities (net)	19	231	165
Total Non-current liabilities		**704**	**708**
Current liabilities:			
Financial liabilities			
(i) Borrowings	14	703	539
(ii) Trade payables			
- Total outstanding dues of micro and small enterprises	17	86	64
- Total Outstanding dues of creditors other than micro and small enterprises	18	4,231	3,233
(iii) Other financial liabilities	15	568	401
Other current liabilities	16	1,047	729
Provisions	20	158	130
Total Current liabilities		**6,793**	**5,096**
Total liabilities		**7,497**	**5,804**
Total equity and liabilities		**15,283**	**13,828**
Summary of significant accounting policies	2.2		
See accompanying notes to the standalone financial statements	1-52		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

₹ in crore

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	21	11,345	9,641
Other income	22	113	506
Total Income		**11,458**	**10,147**
Expenses			
Cost of materials consumed	23	5,639	4,705
Purchases of stock-in-trade		872	607
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	24	(256)	248
Employee benefit expenses	25	685	646
Finance costs	26	307	272
Impairment loss on trade receivables		(7)	33
Depreciation and amortisation expenses	27	977	891
Other expenses	28	2,792	2,197
Total Expenses		**11,009**	**9,599**
Profit before exceptional items and tax		**449**	**548**
Exceptional items	43	15	10
Profit before tax		**434**	**538**
Tax expenses			
Current tax	19	195	55
Deferred tax (credit)/charge	19	19	22
Total tax expenses		**214**	**77**
Profit For The Year		**220**	**461**
Other Comprehensive Income (OCI)	30		
(i) Items that will not be reclassified to profit or loss		(0)	(2)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0	0
Total Other Comprehensive Income for the year, net of tax		**(0)**	**(2)**
Total Comprehensive Income for the year		**220**	**459**
Earnings per equity share (in ₹) of face value of ₹ 2 each			
Basic	31	2.88	6.03
Diluted	31	2.88	6.03
Summary of significant accounting policies	2.2		
See accompanying notes to the standalone financial statements	1-52		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

For and on behalf of the Board of Directors of UPL Limited
CIN No.: L24219GJ1985PLC025132

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Whole-Time Director
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Place: Mumbai

Anand Vora
Chief Financial Officer
Place: Mumbai
Date: May 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Changes in Equity
for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

Issued, subscribed and fully paid	Equity shares of ₹ 2 each	
	Nos.	₹ in crore
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**
Issued during the year	-	-
At March 31, 2021	**76,40,45,456**	**153**

B. OTHER EQUITY
For the year ended March 31, 2021

₹ 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, 2020	-	86	140	4,594	0	1,848	1,198	5	7,871
Profit for the year	-	-	-	-	-	-	220	-	220
Other comprehensive income (Refer Note 30)	-	-	-	-	-	-	(1)	1	(0)
Dividends paid during the year (Refer Note 12A)	-	-	-	-	-	-	(458)	-	(458)
As at March 31, 2021	**-**	**86**	**140**	**4,594**	**0**	**1,848**	**959**	**6**	**7,633**

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, 2021

For the year ended March 31, 2020

₹ in crore

	Reserve and Surplus							Equity Instruments through Other Comprehensive Income	Total 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**

See accompanying notes to the standalone financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Standalone Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit before tax	**434**	**538**
Adjustments for		
Depreciation of property, plant and equipment	497	414
Depreciation of Right of Use assets	52	39
Amortisation of intangible assets	428	438
Assets written off	3	4
Interest Income	(59)	(25)
Profit on sale of assets (net)	-	(0)
Fair value gain/(loss) on financial instruments at fair value through profit or loss	(1)	(12)
Dividend Income on Long-term investments in Subsidiary	-	(429)
Share in profit from investment in United Phosphorus (India) LLP	(33)	(32)
Allowances for doubtful debts and advances (net)	(7)	33
Finance costs	307	272
Unrealised exchange difference (net)	(29)	74
Loss on fire	10	-
Liabilities/provisions no longer required written back (net)	(12)	(2)
Working capital adjustments		
(Increase) in trade receivables	(874)	(397)
(Increase)/Decrease in inventories	(636)	550
Decrease in non-current and current financial assets	109	12
Decrease in other non-current and current assets	133	448
Increase in other non-current and current trade payables	875	250
Increase in other non-current and current financial liabilities	208	77
Increase/(Decrease) in other current liabilities	318	(417)
Increase in provisions and Net employee defined benefit liabilities	27	26
Cash flow from Operations	**1,750**	**1,861**
Income tax paid (including TDS) (net)	70	(88)
Net cash flows from operating activities	**1,820**	**1,773**
Cash flow from investing activities		
Purchase of property, plant and equipment (including CWIP)	(1,164)	(1,065)
Purchase of intangible assets (including CWIP)	(43)	(30)
Proceeds from sale of property, plant and equipment	14	79
Insurance claim received against loss of property, plant and equipment due to fire	25	-
Proceeds for Sale of investments	26	61
Purchase of non-current investments	-	(9)
Advance for investments pending allotment	(50)	-
Dividend Income on Long-term investments in Subsidiary	-	429
Interest received	45	25
Fixed deposits and margin money (net)	(28)	(2)
Advances and loans to subsidiaries - Repayment received	-	77
Net cash flows (used in) investing activities	**(1,175)**	**(435)**
Cash flow from financing activities		
Interest and finance cost paid	(118)	(184)
Proceeds from/(Repayments of) current borrowings (net)	168	(368)
Repayments of non-current term borrowings	(33)	(273)
Proceeds from exercise of share options	-	1
Repayment of lease liability (net)	(62)	(46)

Standalone Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Payment of dividend	(457)	(407)
Net cash flows (used in) financing activities	**(502)**	**(1,277)**
Net increase/(decrease) in cash and cash equivalents	**143**	**61**
Cash and cash equivalents at the beginning of the year (Refer Note 11)	138	77
Cash and cash equivalents at the end of the year (Refer Note 11)	**281**	**138**

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

₹ in crore

Particulars	Notes	March 31, 2020	Cash flows	Non-cash changes				March 31, 2021
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Unsecured Redeemable Non-convertible Debentures (NCDs)	14 and 15	491	(33)	-	-	-	33	491
Cash credit, packing credit and working capital demand loan accounts & commercial papers	14	539	168	-	-	-	(4)	703
Total liabilities from financing activities		**1,030**	**135**	**-**	**-**	**-**	**29**	**1,194**

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 & commercial papers	14	907	(368)	-	-	-	-	539
Total liabilities from financing activities		**1,638**	**(641)**	**-**	**-**	**-**	**33**	**1,030**

See accompanying notes to the standalone financial statements

Note:

The standalone statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) Statement of Cash Flows.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants

Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS-10946
Place: Mumbai

Notes to Standalone Financial Statements
for the year ended March 31, 2021

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 12, 2021.

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),

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.

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 (OCI), 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 Incentives

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' under the head 'Other Operative Revenue'.

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.

  The company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Nature of tangible Assets	Useful Life (years)
Plant & Equipment	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 primary 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.

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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
Germplasm	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.

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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) (notes 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.

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

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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.

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 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. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

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.

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 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 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 March 31, 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

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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 Other Comprehensive Income (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 standalone statement of 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 the standalone statement 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.

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.

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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).

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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

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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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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.

Uncertain tax positions
Determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

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.

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-occurrence 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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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.

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, 2021.

MCA issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 1, 2021.

2.3 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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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 plans (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 Discounted cash flow (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 Notes 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.

Notes to Standalone Financial Statements

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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 judgement. 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.

2.4 Changes in accounting policies

During the year there are no changes in the accounting policies.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

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, 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**
Additions	-	79	79	1,067	8	7	9	1	-	1,081	2,331
Disposals (Refer Note b below)	-	-	(2)	(181)	(0)	(3)	(2)	(0)	-		(188)
Capitalised	-	-	-	-	-	-	-	-	-	(1,247)	(1,247)
At March 31, 2021	**94**	**252**	**404**	**5,233**	**61**	**86**	**91**	**35**	**56**	**638**	**6,950**
Accumulated Depreciation											
At March 31, 2019	**-**	**-**	**63**	**1,487**	**14**	**54**	**52**	**29**	**39**	**-**	**1,738**
Depreciation (Refer Note 27)	-	-	11	371	5	12	9	2	4	-	414
Disposals	-	-	(1)	(38)	0	(6)	(2)	0	-	-	(47)
At March 31, 2020	**-**	**-**	**73**	**1,820**	**19**	**60**	**59**	**31**	**43**	**-**	**2,105**
Depreciation (Refer Note 27)	-	-	14	453	4	13	9	1	3	-	497
Disposals (Refer Note b below)	-	-	(0)	(31)	(0)	(3)	(2)	(0)	-	-	(36)
At March 31, 2021	**-**	**-**	**87**	**2,242**	**23**	**70**	**66**	**32**	**46**	**-**	**2,566**
Net book value											
At March 31, 2021	**94**	**252**	**317**	**2,991**	**38**	**16**	**25**	**3**	**10**	**638**	**4,384**
At March 31, 2020	**94**	**173**	**254**	**2,527**	**34**	**22**	**25**	**3**	**13**	**804**	**3,949**

a) 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, 2021 and March 31, 2020 respectively.

b) On February 23, 2021 there was a fire at Unit-5, Jhagadia in Gujarat. In this incident certain property, plant and equipment were damaged. The Company has written off net book value of assets damaged of ₹ 136 crore (Gross block of ₹ 143 crore).

₹ in crore

Net book value	As at March 31, 2021	As at March 31, 2020
Plant, property and equipment	3,746	3,145
Capital work-in-progress	638	804
Total	**4,384**	**3,949**

Capital Work-in-Progress
Capital work-in-progress as at March 31, 2021 and March 31, 2020 comprises expenditure for the plant and building in the course of construction.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

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, 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**
Additions	-	-	24	-	-	17	-	-	-	27	68
Disposals	-	-	-	-	-	(0)	-	-	-	-	(0)
Capitalised	-	-	-	-	-	-	-	-	-	(25)	(25)
At March 31, 2021	**3,704**	**97**	**233**	**603**	**23**	**56**	**63**	**11**	**13**	**84**	**4,887**
Amortisation											
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
Amortisation (Refer Note 27)	370	0	13	40	0	5	-	-	0	-	428
At March 31, 2021	**2,219**	**96**	**197**	**439**	**23**	**32**	**62**	**10**	**8**	**-**	**3,086**
Net book value											
At March 31, 2021	**1,485**	**1**	**36**	**164**	**(0)**	**24**	**1**	**1**	**5**	**84**	**1,801**
At March 31, 2020	**1,855**	**1**	**25**	**204**	**-**	**12**	**1**	**1**	**5**	**82**	**2,186**

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.

₹ in crore

Net book value	As at March 31, 2021	As at March 31, 2020
Goodwill	1,485	1,855
Other intangible assets	232	249
Intangible assets under development	84	82
Total	**1,801**	**2,186**

***Goodwill arising on amalgamation**
Goodwill includes goodwill arising on amalgamation of Advanta Limited fully described in note 45 of the standalone 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. (Refer Note 49).

Notes to Standalone Financial Statements
for the year ended March 31, 2021

5. INVESTMENTS

₹ in crore

		As at March 31, 2021	As at March 31, 2020
A.	**Investment stated at Cost**		
	Investments in Equity Instruments		
a)	Investment in Subsidiaries (unquoted)		
(i)	140,824 (March 31, 2020: 140,824) equity shares of US $ 100 each fully paid-up in UPL Corporation Limited	1,102	1,102
(ii)	3,053 (March 31, 2020: 3,053) equity shares of Euro 100 each, fully paid-up in Advanta Holdings B.V., Netherlands	171	171
(iii)	50,007 (March 31, 2020: 50,007) equity shares of ₹ 10 each fully paid-up in UPL Global Business Services Limited	0	0
(iv)	99,000 (March 31, 2020: 99,000) equity shares of US$ 1 each, fully paid-up in PT Advanta Indonesia	1	1
(v)	1,000,007 (March 31,2020: 1,000,007) equity shares of ₹ 10 each fully paid-up in SWAL Corporation Limited	17	17
(vi)	1,000,000 (March 31, 2020: 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, 2020: 1,000,000) equity shares of ₹10 each fully paid-up in Agrinet Solutions Limited	2	2
(viii)	100,000 [March 31, 2020: 100,000] equity shares of ₹ 10 each fully paid-up in Nurture Agtech Private Limited	0	0
b)	**Investment in Associates (unquoted)**		
(i)	921,000 (March 31, 2020: 921,000) equity shares of ₹10 each fully paid-up in Chemiesynth (Vapi) Limited	0	0
(ii)	3,350,000 (March 31, 2020: 3,350,000) equity shares of ₹10 each fully paid-up in Kerala Enviro Infrastructure Limited	3	3
(iii)	48,214 (March 31, 2020: 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)		
	Indira Vikas Patra [Face Value: Current Year: ₹ 0 crore [March 31, 2020: ₹ 0 crore]]	0	0
	National Saving Certificates [Face Value: Current Year: ₹ 0 crore [March 31, 2020: ₹ 0 crore]]	0	0
C.	**Investments stated at Fair Value through OCI**		
	Investments in Equity Instruments (quoted)		
	28,100 (March 31, 2020: 28,100) equity shares of ₹10 each fully paid-up in Gujarat State Financial Corporation	0	0
	50,000 (March 31, 2020: 50,000) equity shares of ₹10 each fully paid-up in Nivi Trading Limited	0	0
	41,150 (March 31, 2020: 41,150) equity shares of ₹10 each fully paid-up in Transpek Industry Limited	6	5
	5,307 (March 31, 2020: 5,307) equity shares of ₹10 each fully paid-up in IDFC Limited	0	0
	5,307 (March 31, 2020: 5,307) equity shares of ₹10 each fully paid-up in IDFC Bank Limited.	0	0
	17,990 (March 31, 2020: 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)		
	725,000 (March 31, 2020: Nil) Optionally Convertible Bonds All Fresh Supply Management Private Limited	8	7
b)	Investment in Others (unquoted)		
	10,000 (March 31, 2020:10,000) equity shares of ₹10 each fully paid-up in Janakalyan Sahakari Bank Limited	0	0
	1,000,000 (March 31, 2020: 1,000,000) equity shares of ₹10 each fully paid-up in Uniphos International Limited	4	4
	45,000 (March 31, 2020: 45,000) equity shares of ₹10 each fully paid-up in Bloom Packaging Private Limited	1	1

Notes to Standalone Financial Statements
for the year ended March 31, 2021

5. INVESTMENTS (CONTD.)

₹ in crore

		As at March 31, 2021	As at March 31, 2020
	19,025 (March 31, 2020: 19,025) equity shares of ₹10 each fully paid-up in Bench Bio Private Limited	1	1
	240,000 (March 31, 2020: 240,000) equity shares of ₹ 10 each fully paid-up in UPL Investment Private Limited	2	2
	57 [March 31, 2020: 57] equity shares of 1 Rand each fully paid-up in Cropserve [PTY] Limited	0	0
	3,757,570 [March 31, 2020: 3,435,070] equity shares of ₹10 each fully paid-up in Narmada Clean Tech Limited	7	7
	3,687 [March 31, 2020: Nil] equity shares of ₹ 10 each fully paid-up in All Fresh Supply Management Private Limited	2	2
E.	**Investments in others**		
	United Phosphorus (India) LLP – Capital Contribution in LLP	100	67
	United Phosphorus (Global) LLP	0	0
	Total Non-Current Investments	**1,441**	**1,406**
Aggregate book value and market value of quoted investments		6	5
Aggregate amount of unquoted investments		1,435	1,401
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, 2021	As at March 31, 2020
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%
UPL Global Business Services Limited, India (formerly known as Shroffs United Chemicals Limited)	100%	100%
Nurture Agtech Private Limited. India (formerly known as AFS Agtech Private Limited)	100%	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, 2021	As at March 31, 2020
Investments in Optionally Convertible Bonds (unquoted)		
Nil (March 31, 2020: 2,060) Optionally Convertible Bonds of ₹1,00,000 each in Tatva Global Environment Private Limited	-	26
Total Non-current Assets held-for-sale	**-**	**26**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

6. LOANS

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A) Security deposits				
a) Unsecured, Considered good				
- to related parties (Refer Note 36)	8	5	-	-
- to other than related parties	63	59	-	-
b) Security deposit which have significant increase in Credit Risk	2	2	-	-
Security deposit - credit impaired	(2)	(2)	-	-
	71	**64**	**-**	**-**
(B) Loans to employees				
a) Unsecured, Considered good	-	-	2	2
	-	**-**	**2**	**2**
(C) Sundry loans				
a) Unsecured, Considered doubtful	2	2	-	-
Less: Impairment allowance for sundry loans	**(2)**	**(2)**	**-**	**-**
	-	-	-	-
Total loans	**71**	**64**	**2**	**2**

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, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A) Interest receivable				
a) Unsecured, considered good				
- from related party (Refer Note 36)	-	-	0	0
- from other than related parties	-	-	21	7
b) Unsecured, considered doubtful from other than related parties	-	-	1	0
Less: Impairment allowance for interest receivable	-	-	(1)	(0)
	-	**-**	**21**	**7**
(B) Receivables from related parties (Refer Note 36)				
a) Unsecured, considered good	-	-	37	75
Less: Impairment allowance for receivables from related parties	-	-	(7)	-
	-	**-**	**30**	**75**
(C) Export benefits receivable				
Unsecured, considered good	33	35	86	159
	33	**35**	**86**	**159**
(D) Insurance claim receivable against loss due to fire (Refer Note 43)	**-**	**-**	**139**	**-**
(E) Other receivables				
Unsecured, considered doubtful	-	-	2	2
Less: Impairment allowance for other receivables	-	-	(2)	(2)
	-	**-**	**-**	**-**
Total other financial assets	**33**	**35**	**276**	**241**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

8. OTHER ASSETS

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(a) Capital advances	47	75	-	-
(b) Statutory receivables	75	65	444	643
(c) Prepaid expense	-	-	31	43
(d) Advance for investments pending allotment	-	-	50	-
(e) Other advances	-	-	131	91
Total other assets	**122**	**140**	**656**	**777**

9. INVENTORIES

(Valued at lower of cost and net realisable value)

₹ in crore

	As at March 31, 2021	As at March 31, 2020
a) Raw materials and components [includes goods in transit: ₹ 60 crore (March 31, 2020: ₹ 14 crore)]	798	444
b) Work-in-progress	187	170
c) Finished goods	712	565
d) Stock-in-trade [includes goods in transit: ₹ 5 crore (March 31, 2020: ₹ 2 crore)]	129	38
e) Store and spares [including fuel]	72	63
f) Packing material	37	29
g) By products	8	7
Total Inventories	**1,943**	**1,316**

The write down of inventories to net realisable value and other provisions/losses recognised in the statement of profit and loss as an expense is ₹ 22 crore (March 31, 2020: ₹12 crore)

10. TRADE RECEIVABLES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good		
- from related parties	2,792	2,099
- from others	1,254	1,062
Trade receivables which have significant increase in Credit Risk		
- from others	113	120
Trade Receivables – credit impaired		
- from others	(113)	(120)
Total trade receivables	**4,046**	**3,161**

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, 2021	As at March 31, 2020
Opening balance	120	108
Provision for the year	14	33
Write-off	(21)	(21)
	113	**120**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. There are no trade or other receivables which 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.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

11. CASH AND CASH EQUIVALENTS

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- Current accounts	281	136
Cash on hand	0	2
Total cash and cash equivalents	**281**	**138**

11A. OTHER BANK BALANCES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
- Unclaimed dividend accounts	9	8
- Margin money deposit **	43	16
- Deposits with original maturity for more than 3 months but less than 12 months	1	1
Total other bank balances	**53**	**25**

*** 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, 2021	As at March 31, 2020
Balances with banks:		
- Current accounts	281	136
Cash on hand	0	2
Total cash and cash equivalents	**281**	**138**

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, 2019	**1,23,75,00,000**	**248**	**22,95,00,000**	**230**
Increase during the year	-	-	-	-
At March 31, 2020	**1,23,75,00,000**	**248**	**22,95,00,000**	**230**
Increase during the year	-	-	-	-
At March 31, 2021	**1,23,75,00,000**	**248**	**22,95,00,000**	**230**

Issued Equity Capital

Equity shares of ₹ 2 each issued, subscribed and fully paid-up

	No.	₹ in crore
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**
Increase/(decrease) during the year	-	-
At March 31, 2021	**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.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

12. SHARE CAPITAL (CONTD.)

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, 2021, the amount of per share dividend proposed as distributions to equity shareholders is ₹ 10 (March, 2020: ₹ 6).

Equity shares movement during the 5 years preceding March 31, 2021.

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, 2021.

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.

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

Equity shares of ₹ 2 each fully paid	As at March 31, 2021		As at March 31, 2020	
	No. in crore	% holding in the class	No. in crore	% holding in the class
Nerka Chemicals Private Limited	15	20.10%	15	20.10%
Uniphos Enterprises Limited	4	5.11%	4	5.05%
Life Insurance Corporation of India	6	8.41%	5	5.98%

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.

As on March 31, 2021, there were 63,181,408 outstanding GDRs (March 31, 2020: 63,439,593) under two different programmes out of which 63155908 GDRs are listed on Singapore Stock Exchange Ltd. During the year, the Company has terminated 2,58,180 (0.03379%) unlisted GDRs out of 2,83,680 (0.03713%) unlisted GDRs representing equal number of equity shares effective from May 14, 2020. 25,500 GDRs are unlisted in Luxembourg and under termination process.

12A. DISTRIBUTION MADE & PROPOSED

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2020: ₹ 6 per share (March 31, 2019: ₹ 8 per share)	458	407
Proposed dividends on equity shares:		
Proposed cash dividend for the year ended March 31, 2021: ₹ 10 per share (March 31, 2020: ₹ 6 per share)	764	458

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).

Notes to Standalone Financial Statements

for the year ended March 31, 2021

13. OTHER EQUITY

i) Securities Premium

	₹ in crore
At March 31, 2019	**4,607**
Increase/(decrease) during the year	(13)
At March 31, 2020	**4,594**
Increase/(decrease) during the year	-
At March 31, 2021	**4,594**

ii) Retained Earnings

	₹ in crore
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: Dividend on Equity Shares	(407)
At March 31, 2020	**1,198**
Add: Profit for the year	220
Add: Re-measurement gains (losses) on defined benefit plans	(1)
Add: Transfer from debenture redemption reserve	-
Less: Dividend on Equity Shares	(458)
At March 31, 2021	**959**

iii) Other Reserves

Capital Redemption Reserve

	₹ in crore
At March 31, 2019	**38**
Increase/(decrease) during the year	(38)
At March 31, 2020	**-**
Increase/(decrease) during the year	-
At March 31, 2021	**-**

Capital Reserve

	₹ in crore
At March 31, 2019	**86**
Increase/(decrease) during the year	-
At March 31, 2020	**86**
Increase/(decrease) during the year	-
At March 31, 2021	**86**

Debenture Redemption Reserve

	₹ in crore
At March 31, 2019	**140**
Add: Amount transferred from retained earnings	-
At March 31, 2020	**140**
Less: Amount transferred to retained earnings	-
At March 31, 2021	**140**

Share based payment reserve

	₹ in crore
At March 31, 2019	**0**
Increase/(decrease) during the year	0
At March 31, 2020	**0**
Increase/(decrease) during the year	0
At March 31, 2021	**0**

Notes to Standalone Financial Statements

for the year ended March 31, 2021

13. OTHER EQUITY (CONTD.)

General Reserve

	₹ in crore
At March 31, 2019	**1,848**
Increase/(decrease) during the year	-
At March 31, 2020	**1,848**
Increase/(decrease) during the year	-
At March 31, 2021	**1,848**

Equity Instruments through Other Comprehensive Income

	₹ in crore
At March 31, 2019	**6**
Increase/(decrease) during the year	(1)
At March 31, 2020	**5**
Increase/(decrease) during the year	1
At March 31, 2021	**6**

Retained earnings – The amounts represent profits that can be distributed by the Company as dividends to its equity shareholders.

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 the Company 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.

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 has been 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 equity

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Capital Redemption Reserve	-	-
Securities premium	4,594	4,594
Capital Reserve	86	86
Debenture Redemption Reserve	140	140
Share based payment reserve	0	0
General Reserve	1,848	1,848
Retained earnings	959	1,198
Equity Instruments through Other Comprehensive Income	6	5
Total other equity	**7,633**	**7,871**

Notes to Standalone Financial Statements

for the year ended March 31, 2021

14. BORROWINGS

Non-current Borrowings

₹ in crore

	Effective interest rate	Maturity	As at March 31, 2021	As at March 31, 2020
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	384	458
Current maturities of Non-current Debentures			107	33
Total Non-current Borrowings			**491**	**491**
Less: Amount clubbed under "other current financial liabilities" (Refer Note 15)			(107)	(33)
Net Non-current Borrowings			**384**	**458**
Aggregate unsecured loans (non-current)			384	458

Current Borrowings

₹ in crore

	Maturity	As at March 31, 2021	As at March 31, 2020
Loans repayable On demand			
Cash credit, packing credit and working capital demand loan accounts from Banks			
- Secured (in the range of 6.5% to 7.5% p.a) (Refer Note b below)	On demand	301	251
- Unsecured (6 months LIBOR+25 bps,1month GSEC+25bps) (Refer Note c below)	On demand	252	288
Unsecured Commercial papers from Banks and others (Refer Note d below)	74-90 days	150	-
Total current Borrowings		**703**	**539**
Aggregate Secured loans (current)		301	251
Aggregate Unsecured loans (current)		402	288

a) Unsecured Redeemable Non-convertible Debentures (NCD's)

i) The current maturities of long term borrowings include ₹32 crore (March 31, 2020: ₹ 33 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, 2020: ₹ 150 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, 2020: ₹ 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, 2020: ₹ 150 crore) have been issued under three series. These redeemable at par ₹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 ₹252 crore for the current year (March 31, 2020: ₹ 288 crore).

d) Unsecured Commercial papers from Banks and others

Commercial paper outstanding of ₹150 crore for the current year (March 31, 2020: ₹ Nil).

Notes to Standalone Financial Statements

for the year ended March 31, 2021

15. OTHER FINANCIAL LIABILITIES

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Other financial liabilities carried at amortised Cost				
Current maturities of long-term borrowings (note 14a)	-	-	107	33
Trade Deposits	-	-	48	46
Creditors for capital goods	-	-	116	177
Interest accrued on borrowings	-	-	1	1
Unpaid dividend	-	-	9	8
Lease liabilities	-	-	48	31
Others	3	3	239	105
Total other financial liabilities	**3**	**3**	**568**	**401**

16. OTHER CURRENT LIABILITIES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Advances from customers (Refer Note 36)	1,027	707
Statutory liabilities	19	20
Other liabilities	1	2
Total other current liabilities	**1,047**	**729**

17. TOTAL OUTSTANDING DUES OF MICRO AND SMALL ENTERPRISES

₹ in crore

	Current	
	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro and small enterprises (Refer Note 52)	86	64
	86	**64**

18. TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO AND SMALL ENTERPRISES

₹ in crore

	Current	
	As at March 31, 2021	As at March 31, 2020
Total Outstanding dues of creditors other than micro and small enterprises	4,231	3,233
	4,231	**3,233**

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 TAXES

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

	Current	
	As at March 31, 2021	As at March 31, 2020
Current tax:		
In respect of current year	195	55
Adjustments of tax relating to earlier years	-	-
Deferred tax:		
In respect of current year	19	22
	214	**77**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

19. INCOME TAXES (CONTD.)

ii) Income tax expenses recognised in OCI:

₹ in crore

	Current	
	Year ended March 31, 2021	Year ended March 31, 2020
Deferred tax expenses on remeasurement of defined benefit plan	(0)	(1)
Deferred tax expenses on remeasurement of equity instruments through other comprehensive income	0	1
	0	**0**

b) Reconciliation of tax expense and the accounting profit for the year is as under:

₹ in crore

	Current	
	Year ended March 31, 2021	Year ended March 31, 2020
Accounting profit before income tax	434	538
Statutory income tax rate of 34.944% (March 31, 2020: 34.944%)	152	188
Dividend Income from Subsidiary	-	(150)
Profit on sale of investment to be taxed separately	-	-
Additional deduction on expenditure on Research & Development	-	(14)
Amortisation of goodwill in books considered as not deductible in provision for tax	129	129
Agricultural Income exempt from tax	(84)	(60)
Others	17	(16)
Adjustments of tax relating to earlier years	-	-
Income tax expense reported in the statement of profit and loss	**214**	**77**

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 with 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, 2021	As at March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Differences in carrying values of property, plant & equipment	(319)	(296)	23	71
Unsecured Redeemable non-convertible debentures carried at amortised cost	(0)	(0)	0	(1)
Minimum alternate tax credit	-	47	47	35
Minimum alternate tax credit utilisation	-	-	(47)	(76)
Provision for doubtful debts and advances	59	57	(2)	(4)
Gratuity	14	11	(3)	(2)
Compensated absences	41	34	(7)	(7)
Unwinding of interest cost of trade payables	(26)	(19)	7	6
Transition impact of Ind AS 116	4	3	(1)	(3)
Others	(4)	(2)	2	3
Net deferred tax assets/(liabilities)	**(231)**	**(165)**	**-**	**-**
Deferred tax expense/(income)			**19**	**22**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

19. INCOME TAXES (CONTD.)

Reflected in the balance sheet as follows:

₹ in crore

	Balance Sheet	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	157	170
Deferred tax liabilities:	(388)	(335)
Deferred tax liabilities, net	**(231)**	**(165)**

Reconciliation of deferred tax liabilities (net):

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Opening balance as of April 1,	(165)	(67)
Tax income/(expense) during the year recognised in profit or loss	(19)	(22)
Tax income/(expense) during the year recognised in OCI	(0)	(0)
Minimum alternate tax credit utilisation	(47)	(76)
Closing balance as at March 31,	**(231)**	**(165)**

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, 2021	As at March 31, 2020
Net employee defined benefit liabilities		
Gratuity (Refer Note 33)	40	32
Compensated absences(Refer Note below)	118	98
Total Provisions	**158**	**130**

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	6.20%	6.90%
Return on plan assets	6.20%	6.90%
Annual increase in Salary costs	7.50%	7.50%
Attrition Rate	8%	8%

- Discount rate is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- Annual increase in Salary costs is based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

20. PROVISIONS (CONTD.)

Movement in Compensated absences

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Opening	98	77
Arising during the year	28	30
Utilised	(8)	(9)
Closing	**118**	**98**

21. REVENUE FROM OPERATIONS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products	11,146	9,468
Sale/rendering of services		
Management service fees	36	26
Others	1	1
Other operating revenues		
Export Incentives	61	86
Refund of statutory receivable	18	10
Excess provisions in respect of earlier years written back (net)	10	2
Royalty income	37	38
Miscellaneous receipts	36	10
Total Revenue from operations	**11,345**	**9,641**

Disclosure under Ind AS 115 - Revenue from contracts with customers

Disaggregation of revenue from contracts with customers

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 Customsers. 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, 2021	Year ended March 31, 2020
Trade receivables (Refer Note 10)	4,046	3,161
Advance from customers (Refer Note 16)	1,027	707

d) Reconciliation of revenue from contract with customers with contracted price

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contract with customer as per the contract price	12,682	10,620
Adjustments made to contract price on account of:-		
Discounts/Rebates (Refer Note below)	(656)	(495)
Sales returns (Refer Note below)	(843)	(619)
Revenue from contract with customer	**11,183**	**9,506**
Sale of services	37	27
Other operating revenue	125	108
Revenue from operations	**11,345**	**9,641**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

21. REVENUE FROM OPERATIONS (CONTD.)

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, 2021	Year ended March 31, 2020
Interest income on		
Bank deposits	1	1
Loans and others	58	24
Dividend Income on		
Long-term investments in subsidiary (Refer Note 36)	-	429
Other non-operating income		
Fair value gain/(loss) on financial instruments at fair value through profit or loss	1	12
Rent received	5	8
Profit on sale of assets (net)	-	0
Sundry credit balances written back (net)	2	-
Share in profit from investment in LLP	33	32
Miscellaneous income	13	0
Total other income	**113**	**506**

23. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Inventory at the beginning of the year	444	760
Add: Purchases	5,993	4,389
	6,437	**5,149**
Less: inventory at the end of the year	798	444
Cost of raw material and components consumed	**5,639**	**4,705**

24. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-PROGRESS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the end of the year		
Finished goods	712	565
By-products	8	7
Work-in-progress	187	170
Traded goods	129	38
	1,036	**780**
Inventories at the beginning of the year		
Finished goods	565	769
By-products	7	4
Work-in-progress	170	175
Traded goods	38	80
	780	**1,028**
(Increase)/Decrease in inventory	**(256)**	**248**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

25. EMPLOYEE BENEFIT EXPENSES

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	563	521
Contribution to provident and other funds (Refer Note 33)	44	44
Retirement benefits (Refer Note 33)	29	29
Staff welfare expenses	49	52
	685	**646**

26. FINANCE COSTS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest:		
- On Debentures	49	56
- On Current borrowings	31	63
- On lease liabilities	14	14
- On Income tax	12	-
Exchange Difference (net)	(4)	27
Finance cost relating to financing element on amounts of trade payables	183	89
Other financial charges	22	23
	307	**272**

27. DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	497	414
Depreciation of Right of Use Assets	52	39
Amortisation of intangible assets	428	438
	977	**891**

28. OTHER EXPENSES

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	501	386
Containers & packing materials consumed	369	279
Transport charges	345	224
Sub-contracting expenses	459	328
Sales commission	10	12
Rent	47	49
Effluent disposal charges	141	111
Travelling and conveyance	52	100
Advertising and sales promotion	87	99
Legal and professional fees	108	80
Consumption of stores and spares	112	85
Repairs and maintenance		
Plant and machinery	48	46
Buildings	6	4
Others	26	24
Rates and taxes	49	29
Exchange differences (net)	31	40
Charity and donations [(includes ₹Nil crore (March 31, 2020: ₹40 crore) paid for political purpose)]	2	52

Notes to Standalone Financial Statements
for the year ended March 31, 2021

28. OTHER EXPENSES (CONTD.)

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
CSR expenses (Refer Note 46)	100	16
Insurance	31	23
Assets written off	3	4
Payment to auditor (Refer details below)	8	4
Directors' sitting fees	0	0
Miscellaneous expenses	257	202
	2,792	**2,197**

Payment to auditor

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Audit fee	3	2
Other services (certification fees)	5	2
Reimbursement of expenses	0	0
	8	**4**

29. RESEARCH AND DEVELOPMENT COSTS
Research and Development costs, as certified by the management

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
a) Revenue expenses debited to appropriate heads of account.	122	110
b) Capital Expenditure	31	12

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, 2021			March 31, 2020		
	FVTOCI reserve	Retained earnings	Total	FVTOCI reserve	Retained earnings	Total
Re-measurement gains (losses) on defined benefit plans	-	(1)	(1)	-	(1)	(1)
Gain/(loss) on FVTOCI financial assets	1	-	1	(1)	-	(1)
	1	**(1)**	**(0)**	**(1)**	**(1)**	**(2)**

31. EARNINGS PER SHARE (EPS)

	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to equity holders for basic earnings (₹ in crore)	220	461
Weighted average number of Equity shares for basic EPS*	76,40,45,456	76,40,29,270
Weighted average number of Equity shares adjusted for the effect of dilution *	**76,40,45,456**	**76,40,29,270**
Earnings per equity share (in Rupees)		
Basic (Face value of ₹ 2 each)	2.88	6.03
Diluted (Face value of ₹ 2 each)	2.88	6.03

** 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.*

Notes to Standalone Financial Statements
for the year ended March 31, 2021

32. DETAILS OF LOANS & INVESTMENT AS REQUIRED U/S 186 OF COMPANIES ACT, 2013

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Loan given	Outstanding	Loan given	Outstanding
Loan given to subsidiaries for working capital/business operations				
SWAL Corporation Limited	-	-	95	-

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, 2021	As at March 31, 2020
Gratuity Plan	40	32

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:

The amounts recognised in the statement of profit and loss are as follows:

(i) Defined Benefit Plan

₹ in crore

	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	9	8
Interest cost on benefit obligation	4	4
Return on plan assets	(2)	(2)
Amount included under the head Employee Benefit Expense in Note 25	**11**	**10**
Actuarial losses (gains) arising from change in financial assumptions	0	5
Actuarial losses (gains) arising from change in demographic assumptions	-	-
Actuarial losses (gains) arising from experience adjustments	4	(4)
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability/(Asset)	(3)	(2)
Remeasurements recognised in Other Comprehensive Income(OCI)	1	(1)
Total Expenses recognised in the statement of Profit & Loss	**12**	**9**
Actual return on plan assets	2	2

(ii) Defined Contribution Plan

₹ in crore

	Provident Fund	
	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost included under the head Employee Benefit Expense in Note 25	22	21

₹ in crore

	Superannuation Fund	
	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost included under the head Employee Benefit Expense in Note 25	9	9

Notes to Standalone Financial Statements
for the year ended March 31, 2021

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (CONTD.)

The amounts recognised in the Balance Sheet are as follows:

₹ in crore

	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Present value of funded obligation	76	63
Less: Fair value of plan assets	36	31
Net Liability	40	32

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, 2021	Year ended March 31, 2020
Opening defined benefit obligation	63	55
Interest cost	4	4
Current service cost	9	8
Benefits paid	(4)	(5)
Actuarial losses (gains) arising from change in financial assumptions	0	5
Actuarial losses (gains) arising from change in demographic assumptions	-	-
Actuarial losses (gains) arising from experience adjustments	4	(4)
Closing defined benefit obligation	**76**	**63**

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

₹ in crore

	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Opening fair value of plan assets	30	29
Return on plan assets	2	2
Benefits paid	1	(0)
Actuarial gains and (losses)	3	(1)
Closing fair value of plan assets	**36**	**30**

Expected contribution to defined benefit plan for the year 2020-21

₹ in crore

	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Expected contribution to defined benefit plan	40	32

Expected Benefit Payments in Future Years

₹ in crore

	March 31, 2021	March 31, 2020
Year 1	8	10
Year 2	5	6
Year 3	5	6
Year 4	5	5
Year 5	4	5
Year 6 to 10	24	63

Notes to Standalone Financial Statements
for the year ended March 31, 2021

33. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (CONTD.)

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, 2021	Year ended March 31, 2020
Investments with insurer under:	%	%
Funds managed by insurer	100	100

The principal actuarial assumptions at the Balance Sheet date.

	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	6.20%	6.80%
Return on plan assets	6.20%	6.80%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Annual increase in Salary costs	7.50%	7.50%
Attrition Rate	8%	8%

- Discount rate is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- Annual increase in Salary costs is based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below:

₹ in crore

Sensitivity Level	March 31, 2021		March 31, 2020	
	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation				
Discount rate	(6)	7	(4)	4
Future salary increases	7	(6)	4	(4)
Withdrawal rate	(0)	0	(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
Number of options granted (net of options lapsed)	5,08,390
Method of settlement (Cash/Equity)	Equity
Vesting period	Spread over 4 years and 6 months
Contractual life of options	10 years

Notes to Standalone Financial Statements
for the year ended March 31, 2021

34. SHARE BASED PAYMENT (CONTD.)

The details of the activity have been summarised below

	March 31, 2021	March 31, 2020
	(No. of equity shares)	
Outstanding at the beginning of the year	-	16,500
Exercisable at the beginning of the year	-	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	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	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
Weighted average share price/market price	68.75
Exercise price (₹ per share)	57.00
Expected volatility	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%
Expected dividends	0.30% per annum
Average risk-free interest rate	8.04% per annum

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	January 30, 2014	May 27, 2014	May 27, 2014
Dates of board approval	January 30, 2014	May 27, 2014	May 27, 2014
Date of shareholders approval	December 3, 2013	December 3, 2013	December 3, 2013
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

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	-	5,629
Exercisable at the beginning of the year	-	4,222
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Vested during the year	-	-
Expired during the year	-	5,629
Outstanding at the end of the year	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	0.32

For options exercised during the current period, the weighted average share price at the exercise date was ₹ Nil (March 31, 2020: ₹ Nil).

Notes to Standalone Financial Statements
for the year ended March 31, 2021

34. SHARE BASED PAYMENT (CONTD.)

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
Weighted average share price/market price (₹ per share)	112.81
Exercise price (₹ per share)	Grant 1 ₹ 103.80
	Grant 2 ₹ 262.75
	Grant 3 ₹ 319.70
Expected volatility	49.17%
Life of the options granted (vesting and exercise period) in years	Vesting period + 6 months
Expected dividends	0.00%
Average risk-free interest rate	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
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

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, 2021	March 31, 2020
Outstanding at the beginning of the year	-	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	-	-
Expired during the year	-	37,500
Outstanding at the end of the year	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	3.49

For options exercised during the current period, the weighted average share price at the exercise date is Nil (March 31, 2020: ₹ 522.67).

Notes to Standalone Financial Statements
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34. SHARE BASED PAYMENT (CONTD.)

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
Weighted average share price/market price (₹ per share)	824
Exercise price (₹ per share)	784
Expected volatility	21.49%
Life of the options granted (vesting and exercise period) in years	2 to 3.25 years
Expected dividends	-
Average risk-free interest rate	7.22% per annum

35. COMMITMENTS AND CONTINGENCIES

a) Commitments

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	394	386

b) Contingent liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Disputed Income-Tax Liability (excluding interest)	33	33
Disputed Excise Duty/Service Tax liability (excluding interest)	186	186
Disputed Sales Tax/GST liability	25	22
Disputed Customs Duty liability	22	22
Disputed Fiscal Penalty for cancellation of licenses	33	33
Claims against the Company not acknowledged as debts	4	3

c) (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(iii) The Company's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

d) A competitor had filed a litigation against the Company and a subsidiary of the Company for misappropriation of trade secrets, tortious interference, infringement of patent, loss of profits and unjust enrichment. On October 11, 2019 a jury in the federal district court rendered a verdict against the subsidiary for an aggregate amount of approximately ₹ 233 crore. While the Company sought to remedy the adverse decision of the jury through the post-trial motions, this amount was provided for in the previous year as an exceptional item in the statement of profit and loss of the consolidated financial statements. The Company received a final court order reducing the damages from approximately ₹ 233 crore to approximately ₹ 95 crore plus interest. Accordingly, an amount of ₹ 117 crore was written back to exceptional item in the consolidated statement of profit and loss. In March 2021 the Company has reached a settlement with the competitor whereby this and all other pending litigation between them were settled without any additional compensation to either parties.

e) Pursuant to the judgement 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 judgement retrospectively and the Company has been legally advised that the judgement would be applicable prospectively. The standalone financial statements disclose a contingent liability in this regard. No provision has been made for the year ended March 31, 2021 and March 31, 2020.

Notes to Standalone Financial Statements

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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	Principal activities	Country of incorporation/ Principal place of business	Notes
1	UPL Global Business Services Limited (formerly known as Shroffs United Chemicals Limited)	Crop protection	India	
2	SWAL Corporation Limited	Crop protection	India	
3	United Phosphorus (India) LLP	Crop protection	India	
4	United Phosphorus Global LLP	Crop protection	India	
5	UPL Sustainable Agri Solutions Limited (formerly known as Optima Farm Solutions Ltd)	Crop protection	India	
6	UPL Europe Limited	Crop protection	United Kingdom	
7	United Phosphorus Polska Sp.z o.o - Poland	Crop protection	Poland	
8	UPL Benelux B.V.	Crop protection	Netherlands	
9	Cerexagri B.V.	Crop protection	Netherlands	
10	UPL Holdings Cooperatief U.A (formerly known as United Phosphorus Holdings Cooperatief U.A.)	Crop protection	Netherlands	
11	UPL Holdings BV (formerly known as United Phosphorus Holdings B.V., Netherlands)	Crop protection	Netherlands	
12	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Crop protection	Netherlands	
13	Decco Worldwide Post-Harvest Holdings B.V.	Crop protection	Netherlands	
14	UPL Holdings Brazil B.V. (formerly known as United Phosphorus Holding, Brazil B.V.)	Crop protection	Netherlands	
15	UPL Italia S.R.L.	Crop protection	Italy	
16	UPL Iberia, S.A.	Crop protection	Spain	
17	Decco Iberica Postcosecha, S.A.U.	Crop protection	Spain	
18	Transterra Invest, S. L. U.	Crop protection	Spain	
19	Cerexagri S.A.S.	Crop protection	France	
20	Neo-Fog S.A.	Crop protection	France	$$2
21	UPL France	Crop protection	France	
22	United Phosphorus Switzerland Limited	Crop protection	Switzerland	
23	Agrodan, ApS	Crop protection	Denmark	$
24	Decco Italia SRL	Crop protection	Italy	
25	Limited Liability Company "UPL"	Crop protection	Russia	
26	Decco Portugal Post Harvest LDA (formerly known as UPL Portugal Unipessoal LDA)	Crop protection	Portugal	
27	UPL NA Inc. (formerly known as United Phosphorus Inc.)	Crop protection	USA	
28	UPI Finance LLC	Crop protection	USA	$
29	Cerexagri, Inc. (PA)	Crop protection	USA	
30	UPL Delaware, Inc.	Crop protection	USA	
31	Canegrass LLC	Crop protection	USA	$
32	Decco US Post-Harvest Inc	Crop protection	USA	
33	RiceCo LLC	Crop protection	USA	

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
34	Riceco International, Inc.	Crop protection	Bahamas	
35	UPL Corporation Limited	Crop protection	Mauritius	
36	UPL Management DMCC	Crop protection	United Arab Emirates	
37	UPL Limited	Crop protection	Gibraltar	
38	UPL Agro S.A. de C.V.	Crop protection	Mexico	
39	Decco PostHarvest Mexico (Formerly Known as Decco Jifkins Mexico Sapi)	Crop protection	Mexico	
40	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Crop protection	Brazil	
41	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Crop protection	Brazil	
42	UPL Costa Rica S.A.	Crop protection	Costa Rica	
43	UPL Bolivia S.R.L	Crop protection	Bolivia	
44	UPL Paraguay S.A.	Crop protection	Paraguay	
45	Icona Sanluis S.A.	Crop protection	Argentina	
46	UPL Argentina S A	Crop protection	Argentina	
47	Decco Chile SpA	Crop protection	Chile	
48	UPL Colombia SAS	Crop protection	Colombia	
49	United Phosphorus Cayman Limited	Crop protection	Cayman Islands	
50	UP Aviation Limited	Crop protection	Cayman Islands	
51	UPL Australia Limited	Crop protection	Australia	
52	UPL New Zealand Limited	Crop protection	New Zealand	$$13
53	UPL Shanghai Limited	Crop protection	China	
54	UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited)	Crop protection	Korea	$
55	PT.UPL Indonesia	Crop protection	Indonesia	
56	PT Catur Agrodaya Mandiri	Crop protection	Indonesia	
57	UPL Limited,Hong Kong(Formerly Known as United Phosphorus Limited, Hongkong)	Crop protection	Hong Kong	
58	UPL Philippines Inc.	Crop protection	Philippines	
59	UPL Vietnam Co. Limited	Crop protection	Vietnam	
60	UPL Japan GK (Formerly Known as UPL Limited, Japan)	Crop protection	Japan	
61	Anning Decco Fine Chemical Co. Limited	Crop protection	China	
62	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Crop protection	Turkey	
63	UPL Agromed Tohumculuk Sa,Turkey	Crop protection	Turkey	
64	Safepack Products Limited	Crop protection	Israel	
65	Citrashine (Pty) Ltd	Crop protection	South Africa	
66	Prolong Limited	Crop protection	Israel	
67	Perrey Participações S.A	Crop protection	Brazil	
68	Agrinet Solutions Limited	Crop protection	India	
69	Advanta Netherlands Holding B.V.	Seed Business	Netherlands	

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
70	Advanta Semillas SAIC	Seed Business	Argentina	
71	Advanta Holdings B.V.	Seed Business	Netherlands	
72	Advanta Seeds International	Seed Business	Mauritius	
73	Pacific Seeds Holdings (Thailand) Limited	Seed Business	Thailand	
74	Pacific Seeds (Thai) Limited	Seed Business	Thailand	
75	Advanta Seeds Pty. Ltd	Seed Business	Australia	
76	Advanta US LLC (formerly known as Advanta U.S. Inc.)	Seed Business	USA	
77	Advanta Comercio De Sementes LTDA.	Seed Business	Brazil	
78	PT Advanta Seeds Indonesia	Seed Business	Indonesia	
79	Advanta Seeds DMCC	Seed Business	United Arab Emirates	
80	Essentiv LCC	Crop protection	USA	
81	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Crop protection	Mauritius	
82	UPL Jiangsu Limited	Crop protection	China	
83	Riceco International Bangladesh Ltd	Crop protection	Bangladesh	
84	Uniphos Malaysia Sdn Bhd	Crop protection	Malaysia	
85	Advanta Seeds Ukraine LLC	Seed Business	Ukraine	
86	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.	Crop protection	Turkey	
87	Arysta LifeScience Investments LLC	Crop protection	USA	$
88	Arysta LifeScience America Inc.	Crop protection	USA	
89	ANESA S.A.	Crop protection	Belgium	
90	Arysta LifeScience Management Company, LLC	Crop protection	USA	
91	Arysta LifeScience SPC, LLC	Crop protection	USA	$
92	Arysta LifeScience India Limited	Crop protection	India	
93	Arysta LifeScience Agriservice Private Limited	Crop protection	India	
94	Arysta LifeScience Togo SAU	Crop protection	Togo	
95	Arysta Agro Private Limited	Crop protection	India	
96	GBM USA LLC	Crop protection	USA	
97	UPL Agrosolutions Canada Inc (Formerly Known as Arysta LifeScience Canada, Inc.)	Crop protection	Canada	
98	Arysta LifeScience Canada BC Inc.	Crop protection	Canada	$$5
99	Arysta LifeScience North America, LLC	Crop protection	USA	
100	Arysta LifeScience NA Holding LLC	Crop protection	USA	
101	Arysta LifeScience Inc.	Crop protection	USA	
102	Arysta LifeScience Services LLP	Crop protection	India	
103	Arysta LifeScience Benelux SPRL	Crop protection	Belgium	
104	Arysta LifeScience (Mauritius) Ltd	Crop protection	Mauritius	
105	UPL South Africa (Pty) Ltd (Formerly Known as Arysta LifeScience South Africa (Pty) Ltd)	Crop protection	South Africa	

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
106	Arysta Health and Nutrition Sciences Corporation	Health Nutrition Solution	Japan	
107	Arysta LifeScience Corporation	Crop protection	Japan	
108	Arysta LifeScience S.A.S.	Crop protection	France	
109	Arysta LifeScience Chile S.A.	Crop protection	Chile	
110	Arysta LifeScience Mexico, S.A.de C.V	Crop protection	Mexico	
111	Grupo Bioquimico Mexicano, S.A. de C.V.	Crop protection	Mexico	
112	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	$$1
113	Arysta LifeScience UK & Ireland Ltd	Crop protection	U.K.	
114	UPL Agricultural Solutions (Formerly Known as MacDermid Agricultural Solutions Italy Srl)	Crop protection	Italy	
115	Platform Sales Suisse GmbH	Crop protection	Switzerland	
116	UPL Agricultural Solutions Holdings BV (Formerly Known as MacDermid Agricultural Solutions Holdings BV)	Crop protection	Netherlands	
117	Dutch Agricultural Investment Partners LLC	Crop protection	Netherlands	$
118	Netherlands Agricultural Investment Partners LLC	Crop protection	Netherlands	
119	UPL Bulgaria EOOD (formerly known as Arysta LifeScience Bulgaria EOOD)	Crop protection	Bulgaria	
120	UPL Agricultural Solutions Romania SRL (formerly known as Arysta LifeScience Romania SRL)	Crop protection	Romania	
121	Arysta LifeScience Kiev LLC	Crop protection	Ukraine	$
122	Arysta LifeScience Great Britain Ltd	Crop protection	U.K.	
123	Arysta LifeScience Technology BV	Crop protection	Netherlands	
124	Arysta LifeScience Netherlands BV	Crop protection	Netherlands	
125	Arysta LifeScience RUS LLC	Crop protection	Russia	
126	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Crop protection	Turkey	$$14
127	Arysta LifeScience Australia Pty. Ltd.	Crop protection	Australia	
128	Chemtura (Thailand) Ltd	Crop protection	Thailand	$
129	MacDermid (Shanghai) Chemical Ltd.	Crop protection	China	$
130	Arysta-LifeScience Ecuador S.A.	Crop protection	Ecuador	
131	Arysta LifeScience Ougrée Production Sprl	Crop protection	Belgium	
132	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Crop protection	Greece	
133	Naturagri Soluciones, SLU (Formerly known as Arysta LifeScience Iberia SLU)	Crop protection	Spain	
134	Agriphar Poland Sp. Zoo	Crop protection	Poland	$
135	Arysta LifeScience Switzerland Sarl	Crop protection	Switzerland	
136	Vetophama SAS (Formerly known as Arysta Animal Health SAS)	Animal Health	France	
137	PPWJ Sci	Animal Health	France	
138	Vetopharma Iberica SL (Formerly known as Santamix Iberica SL,Spain)	Animal Health	Spain	

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
139	Arysta LifeScience Global Services Limited	Crop protection	Ireland	
140	Arysta LifeScience European Investments Limited	Crop protection	U.K.	
141	Arysta LifeScience U.K. Limited	Crop protection	U.K.	
142	Arysta LifeScience U.K. CAD Limited	Crop protection	U.K.	
143	Arysta LifeScience U.K. EUR Limited	Crop protection	U.K.	
144	Arysta LifeScience U.K. JPY Limited	Crop protection	U.K.	
145	Arysta LifeScience U.K. USD Limited	Crop protection	U.K.	
146	Arysta Lifescience U.K. Holdings Limited	Crop protection	U.K.	
147	Arysta LifeScience Japan Holdings Goudou Kaisha	Crop protection	Japan	
148	Arysta LifeScience Cameroun SA	Crop protection	Cameroon	
149	Callivoire SGFD S.A.	Crop protection	Cote D'Ivoire	
150	Arysta LifeScience Egypt Ltd	Crop protection	Egypt	
151	Calli Ghana Ltd.	Crop protection	Ghana	
152	Arysta LifeScience Kenya Ltd.	Crop protection	Kenya	
153	Mali Protection Des Cultures (M.P.C.) SA	Crop protection	Mali	
154	Agrifocus Limitada	Crop protection	Mozambique	
155	UPL Holdings SA (Pty) Ltd (formerly known as Arysta LifeScience Holdings SA (Pty) Ltd)	Crop protection	South Africa	
156	Anchorprops 39 (Pty) Ltd	Crop protection	South Africa	
157	Callietha Investments (Pty) Ltd	Crop protection	South Africa	
158	Sidewalk Trading (Pty) Ltd	Crop protection	South Africa	
159	Volcano Agroscience (Pty) Ltd	Crop protection	South Africa	
160	Volcano Chemicals (Pty) Ltd	Crop protection	South Africa	
161	Arysta LifeScience Tanzania Ltd	Crop protection	Tanzania	
162	Arysta LifeScience (Shanghai) Co., Ltd.	Crop protection	China	
163	Pt. Arysta LifeScience Tirta Indonesia	Crop protection	Indonesia	
164	UPL Limited Korea (formerly known as Arysta LifeScience Korea Ltd.)	Crop protection	Korea	
165	Arysta LifeScience Pakistan (Pvt.) LTD.	Crop protection	Pakistan	
166	Arysta LifeScience Philippines Inc.	Crop protection	Philippines	
167	Arysta LifeScience Asia Pte., Ltd.	Crop protection	Singapore	
168	Arysta LifeScience (Thailand) Co., Ltd.	Crop protection	Thailand	
169	Arysta LifeScience Vietnam Co., Ltd.	Crop protection	Vietnam	
170	Arysta LifeScience Holdings France SAS	Crop protection	France	$$4
171	Laboratoires Goëmar SAS	Crop protection	France	
172	Natural Plant Protection S.A.S.	Crop protection	France	$$3
173	UPL Czech s.r.o. (formerly known as Arysta LifeScience Czech s.r.o.)	Crop protection	Czech Rpb	
174	UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)	Crop protection	Germany	
175	UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság. (formerly known as Arysta LifeScience Magyarorszag Kft.)	Crop protection	Hungary	

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
176	UPL Polska Sp. z.o.o (formerly known as Arysta LifeScience Polska Sp. z.o.o)	Crop protection	Poland	
177	Betel Reunion S.A.	Crop protection	Reunion(Fr)	
178	Arysta LifeScience Vostok Ltd.	Crop protection	Russia	
179	UPL Slovakia S.R.O (formerly known as Arysta LifeScience Slovakia S.R.O.)	Crop protection	Slovakia	
180	UPL Ukraine LLC (formerly known as Arysta LifeScience Ukraine LLC)	Crop protection	Ukraine	
181	Arysta LifeScience Global Limited	Crop protection	U.K.	
182	Arysta LifeScience Argentina S.A.	Crop protection	Argentina	$$12
183	Arysta LifeScience Colombia S.A.S	Crop protection	Colombia	
184	Arysta LifeScience CentroAmerica, S.A.	Crop protection	Guatemala	
185	Arysta LifeScience Mexico Holding S.A.de C.V	Crop protection	Mexico	$$6
186	Bioenzymas S.A. de C.V.	Crop protection	Mexico	$$7
187	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Crop protection	Mexico	
188	Omega Agroindustrial, S.A. de C.V.	Crop protection	Mexico	
189	Agroquimicos y Semillas, S.A. de C.V.	Crop protection	Mexico	$$8
190	Servicios Agricolas Mundiales SA de CV	Crop protection	Mexico	
191	Tecno Extractos Vegetales, S.A. de C.V.	Crop protection	Mexico	$$9
192	Tesaurus Mexico S.A. de C.V.	Crop protection	Mexico	
193	Arysta LifeScience Paraguay S.R.L.	Crop protection	Paraguay	
194	Arysta LifeScience Peru S.A.C	Crop protection	Peru	
195	Arysta LifeScience Costa Rica SA.	Crop protection	Costa Rica	
196	Arysta LifeScience de Guatemala, S.A.	Crop protection	Guatemala	
197	Arysta LifeScience S.R.L.	Crop protection	Bolivia	
198	Myanmar Arysta LifeScience Co., Ltd.	Crop protection	Myanmar	
199	Arysta LifeScience U.K. BRL Limited	Crop protection	U.K.	
200	UPL New Zealand Limited (formerly known as Etec Crop Solutions Limited)	Crop protection	New Zealand	
201	MacDermid Agricultural Solutions Australia Pty. Ltd	Crop protection	Australia	
202	Arvesta Corporation	Crop protection	USA	
203	Arysta LifeScience Registrations Great Britain Ltd	Crop protection	U.K.	
204	Agriphar SDN BHD	Crop protection	Malaysia	$
205	Industrias Agriphar SA	Crop protection	Guatemala	
206	Agripraza Ltda.	Crop protection	Portugal	
207	Arysta LifeScience Corporation Republica Dominicana, SRL	Crop protection	Dominican Rpb	
208	Grupo Bioquimico Mexicano Republica Dominicana SA	Crop protection	Dominican Rpb	
209	Arvesta Paraguay S.A.	Crop protection	Paraguay	
210	Arysta Agroquimicos y Fertilzantes Uruguay SA	Crop protection	Uruguay	
211	Arysta LifeScience U.K. USD-2 Limited	Crop protection	U.K.	
212	Industrias Bioquim Centroamericana, Sociedad Anónima	Crop protection	Costa Rica	@1

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for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business	Notes
213	Procultivos, Sociedad Anónim	Crop protection	Costa Rica	@1,$$10
214	Inversiones Lapislazuli Marino, Sociedad Anónima	Crop protection	Costa Rica	@1,$$11
215	Bioquim, Sociedad Anónima	Crop protection	Costa Rica	@1,$
216	Bioquim Panama, Sociedad Anónima	Crop protection	Panama	@1
217	UPL Nicaragua, Sociedad Anónima (formerly known as Bioquim Nicaragua, Sociedad Anónima)	Crop protection	Nicaragua	@1
218	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Crop protection	Domnic Republic	@1
219	Nutriquim De Guatemala, Sociedad Anónima	Crop protection	Guatemala	@1
220	UPL Agro Ltd	Crop protection	Hong Kong	@
221	UPL Portugal Unipessoal, Ltda.	Crop protection	Portugal	@
222	UPL Services LLC	Crop protection	USA	@
223	United Phosphorus Holdings Uk Ltd	Crop protection	U.K.	@
224	Nurture Agtech Pvt. Ltd. (formerly known as AFS Agtech Pvt. Limited)	Crop protection	India	@
225	Natural Plant Protection Limited	Crop protection	India	@
226	Advanta Biotech General Trading Ltd	Seed Business	UAE	#
227	UPL Mauritius Limited	Crop protection	Mauritius	#
228	Hannaford Nurture Farm Exchange Pty. Ltd	Crop protection	Australia	#
229	UPL Zambia Ltd	Crop protection	Zambia	#
230	INGEAGRO S.A	Crop protection	CHILE	#1
231	Laoting Yoloo Bio-Technology Co. Ltd	Crop protection	China	#1
232	Anhui Yoloo Hexie Plant Protection Co. Ltd.	Crop protection	China	#1,$
233	Federation Of Agri-Value Chain, Manufacturers And Exporters (Viz FAME)	Crop protection	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
During the year the following group reorganisations were effected:
$$1 - UPL Agricultural Solutions Netherlands BV was merged into UPL Agricultural Solutions Holdings B.V.
$$2 - Neo-Fog S.A. was merged into UPL France (formerly Known as AS pen SAS)
$$3 - Natural Plant Protection S.A.S was merged into Laboratoires Goëmar SAS
$$4 - Arysta LifeScience Holdings France SAS was merged into Laboratoires Goëmar SAS
$$5 - Arysta Canada BC Inc. was merged into UPL Agrosolution Canada DC
$$6 - Arysta LifeScience Mexico Holding S.A.de C.V was merged into UPL Agro SA DE CV.
$$7 - Bioenzymas S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.
$$8 - Agroquimicos y Semillas, S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.
$$9 - Tecno Extractos Vegetales, S.A. de C.V was merged into Grupo Bioquimico Mexicano, S.A. de C.V.
$$10 - Procultivos, Sociedad Anónim was merged into Industrias Bioquim Centroamericana, Sociedad Anónima
$$11 - Inversiones Lapislazuli Marino, Sociedad Anónima was merged into Industrias Bioquim Centroamericana, Sociedad Anónima
$$12 - Arysta LifeScience Argentina S.A. was merged into UPL Argentina S A (Formerly known as Icona S A - Argentina)
$$13 - UPL New Zealand Limited (Formerly known as United Phosphorus Limited, New Zealand) was merged into UPL New zealand Ltd (formerly known as Etec Corp solution Limited)

$$14 - Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi was merged into UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi (Formerly Known as Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey)

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

(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. (During the year Seara Commercial Agricola Ltda. was merged into Sinagro Produtos Agropecuários S.A.)	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	
19	CGNS Limited	U.K.	$$1
20	Callitogo SA	Togo	
21	Eswatini Agricultural Supplies Limited	South Africa	@

$$1 Investment in Associates Liquidated during the current year.

@ Investment in Associates during the Current 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:	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

Notes to Standalone Financial Statements
for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

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 Bench Bio Private Limited
20 Pentaphos Industries Private Limited
21 Vikram Farm

(iv) Key Management Personnel and their relatives:
Directors and their relatives

Mr. Rajnikant.D. Shroff
Mrs. Sandra R. Shroff (up to August 31, 2020) *
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 Ramachandran
Mrs. Usha Mohan Rao Monari (with effect from December 27, 2019)
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.*

Notes to Standalone Financial Statements
for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

(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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
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	**7,339**	**6,501**	**1**	**0**	**5**	**-**	**1**	**1**	**7,346**	**6,502**
UPL Corporation Ltd.	1,445	1,380	-	-	-	-	-	-	1,445	1,380
UPL Limited Gibraltar	6	1,805	-	-	-	-	-	-	6	1,805
SWAL Corporation Limited	704	521	-	-	-	-	-	-	704	521
UPL Ltd. - Mauritius	1,133	1,069	-	-	-	-	-	-	1,133	1,069
UPL Management DMCC	1,847	97	-	-	-	-	-	-	1,847	97
United Phosphorus (India) LLP	1,781	1,354	-	-	-	-	-	-	1,781	1,354
Others	423	275	1	0	5	-	1	1	430	276
(ii) FIXED ASSETS	**16**	**93**	**-**	**-**	**-**	**-**	**0**	**0**	**16**	**-**
United Phosphorus (India) LLP	16	93	-	-	-	-	-	-	16	-
Others	0	-	-	-	-	-	0	0	0	-
(B) DIVIDEND RECEIVED	**-**	**429**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**429**
UPL Corporation Ltd.	-	429	-	-	-	-	-	-	-	429
(C) MANAGEMENT FEES/OTHER SERVICES										
(i) MANAGEMENT FEES	**-**	**3**	**-**	**-**	**-**	**-**	**4**	**5**	**4**	**8**
United Phosphorus (India) LLP	-	3	-	-	-	-	-	-	-	3
Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	-	2	-	2
BEIL Infrastructure Limited	-	-	-	-	-	-	1	1	1	1
Uniphos Enterprises Limited	-	-	-	-	-	-	2	1	2	1
Tatva Global Environment Private Limited	-	-	-	-	-	-	0	0	0	0
Enviro Technology Ltd	-	-	-	-	-	-	0	0	0	0
Others	-	-	-	-	-	-	0	0	0	0

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36. RELATED PARTY TRANSACTIONS (CONTD.)

Relationship	Subsidiaries		Associates		Joint Venture		Enterprises over which Key Management Personnel have Significant Influence		Grand Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NATURE OF TRANSACTIONS:	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
(D) RENT RECEIVED	**3**	**6**	**-**	**-**	**-**	**-**	**0**	**0**	**4**	**6**
United Phosphorus (India) LLP	3	6	-	-	-	-	-	-	3	6
Others	0	0	-	-	-	-	0	0	0	0
(E) ROYALTY INCOME	**44**	**45**	**-**	**-**	**-**	**-**	**-**	**-**	**44**	**45**
United Phosphorus (India) LLP	44	45	-	-	-	-	-	-	44	45
(F) COMMISSION ON GUARANTEE GIVEN/ RECEIVED	**0**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0**
UPL Italia SRL	-	0	-	-	-	-	-	-	-	0
(G) OTHER INCOME	**10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10**	**-**
UPL Limited – Mauritius	5	-	-	-	-	-	-	-	5	-
UPL Management DMCC	5	-	-	-	-	-	-	-	5	-
2. EXPENSES										
(A) PURCHASES										
(i) GOODS	**718**	**412**	**-**	**-**	**-**	**-**	**85**	**55**	**803**	**467**
UPL Ltd, Hong Kong	165	93	-	-	-	-	-	-	165	93
UPL Sustainable Agri Solutions Ltd. (form-Optima Farm Solutions Ltd.)	170	143	-	-	-	-	-	-	170	143
Arysta Life Science India Ltd.	252	70	-	-	-	-	-	-	-	-
Others	131	106	-	-	-	-	85	55	216	161
(ii) PURCHASE OF LICENCES	**-**	**11**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11**
United Phosphorus India LLP	-	11	-	-	-	-	-	-	-	11
Others	-	-	-	-	-	-	-	-	-	-
(iii) FIXED ASSETS	**0**	**0**	**-**	**0**	**-**	**-**	**1**	**0**	**1**	**- 0**
UPL Sustainable Agri Solutions Ltd. (form -Optima Farm Solutions Ltd.)	-	0	-	-	-	-	-	-	-	
Uniphos Envirotronic Pvt. Ltd.	-	-	-	-	-	-	1	0	1	0
Ingen Technologies Pvt. Ltd.	-	-	-	0	-	-	-	-	-	
United Phosphorus India LLP	0	-	-	-	-	-	-	-	0	-

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for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Relationship	Subsidiaries		Associates		Joint Venture		Enterprises over which Key Management Personnel have Significant Influence		Grand Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NATURE OF TRANSACTIONS:	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
(iv) INTANGIBLE ASSETS	**1**	**2**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**2**
UPL Limited Korea	1	2	-	-	-	-	-	-	1	2
(v) OTHERS	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**0**	**0**	**0**
Vikram Farm	-	-	-	-	-	-	0	0	0	0
Others	-	-	-	-	-	-	0	0	0	0
(B) SERVICES	**5**	**2**	**9**	**4**	**-**	**-**	**100**	**111**	**114**	**117**
BEIL Infrastructure Limited	-	-	-	-	-	-	100	107	100	107
Others	5	2	9	4	-	-	0	4	14	10
(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 SALES	**0**	**-**		**-**		**-**		**-**	**0**	**-**
Nurture Agtech Pvt. Ltd.	0	-		-		-		-	0	-
(E) WRITE BACK OF PAYABLES	**1**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**0**
UPL Europe Ltd.	1	-	-	-	-	-	-	-	1	-
UPL Limited Hong Kong	-	0	-	-	-	-	-	-	-	0
Others	0	-	-	-	-	-	-	-	0	-
(F) WRITE OFF/PROVISIONS OF RECEIVABLES	**7**	**-**	**-**	**0**	**-**	**-**	**-**	**-**	**7**	**0**
United Phosphorus (India) LLP	0								0	-
Advanta Semilas SAIC	7	-	-	-	-	-	-	-	7	-
Chemie Synth (Vapi) Ltd.	-	-	-	0	-	-	-	-	-	0

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36. RELATED PARTY TRANSACTIONS (CONTD.)

Relationship	Subsidiaries		Associates		Joint Venture		Enterprises over which Key Management Personnel have Significant Influence		Grand Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NATURE OF TRANSACTIONS:	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
3 FINANCE										
(A) LOAN/INTER CORPORATE DEPOSITS GIVEN	**-**	**95**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**95**
SWAL Corporation Limited	-	95	-	-	-	-	-	-	-	95
(B) INTEREST RECEIVED	**-**	**9**		**-**		**-**	**0**	**0**	**0**	**9**
SWAL Corporation Limited	-	9	-	-	-	-	-	-	-	9
Others	-	-	-	-	-	-	0	0	0	0
(C) REPAYMENT AGAINST LOAN GIVEN	**-**	**172**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**172**
UPL Corporation Ltd.	-	-	-	-	-	-	-	-	-	-
SWAL Corporation Limited	-	172	-	-	-	-	-	-	-	172
(D) PURCHASE OF SHARES	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0**
Nurture Agtech Pvt. Ltd.	-	0	-	-	-	-	-	-	-	0
(E) SALE OF BONDS	**-**	**-**	**-**	**-**	**-**	**-**	**26**	**61**	**26**	**61**
Nerka Chemicals Pvt. Ltd.	-	-	-	-	-	-	26	61	26	61
(F) ADVANCE FOR INVESTMENTS PENDING ALLOTMENT	**50**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**50**	**-**
Nurture Agtech Pvt. Ltd.	50	-	-	-	-	-	-	-	-	-
4 (A) REIMBURSMENTS RECEIVED	**37**	**85**	**-**	**-**	**-**	**-**	**0**	**1**	**37**	**86**
Swal Corporation Limited	17	12	-	-	-	-	-	-	17	12
UPL Limited Mauritius	3	64	-	-	-		-		3	64
United Phosphorus (India) LLP	8	2	-	-	-	-	-	-	8	2
Nurture Agtech Pvt. Ltd.	-	-	-	-	-	-	-	-	7	1
Others	2	6	-	-	-	-	0	1	2	7
(B) REIMBURSEMENTS MADE	**2**	**5**	**-**	**-**	**-**	**-**	**0**	**0**	**2**	**5**
Swal Corporation Ltd.	1	1	-	-	-	-	-	-	1	1
Cerexagri BV	-	-	-	-	-	-	-	-	1	1
UPL Europe Ltd.	0	-	-	-	-	-	-	-	0	0
Decco Post Harvest Mexico S.A. Dec	-	3	-	-	-	-	-	-	-	3
Others	0	0	-	-	-	-	0	0	0	0

Notes to Standalone Financial Statements
for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Relationship	Subsidiaries		Associates		Joint Venture		Enterprises over which Key Management Personnel have Significant Influence		Grand Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NATURE OF TRANSACTIONS:	₹ 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	281	96	2	1	-	-	11	8	294	106
UPL Corporation Ltd.	9	12	-	-	-	-	-	-	9	12
UPL Ltd, Hong Kong	173	48	-	-	-	-	-	-	173	48
UPL Vietnam Co. Limited	27	13	-				-	-	27	13
UPL Sustainable Agri Solutions Ltd.(form -Optima Farm Solutions Ltd.)	-	11	-				-	-	-	11
Arysta Lifescience India Ltd.	42	-	-	-	-	-	-	-	42	-
Others	30	12	2	1	-	-	11	8	43	22
(B) RECEIVABLE	2,787	2,097	1	0	3	-	1	2	2,792	2,099
UPL Limited – Gibraltar	-	222	-	-	-	-	-	-	-	222
United Phosphorus (India) LLP	938	948	-	-	-	-	-	-	938	948
UPL Corporation Ltd.	510	235	-	-	-	-	-	-	510	235
UPL Management DMCC	-	-	-	-	-	-	-	-	790	-
UPL Limited Mauritius	419	409	-	-	-	-	-	-	419	409
Others	130	283	1	0	3	-	1	2	135	285
(C) LOANS AND ADVANCES GIVEN	-	-	-	-	-	-	0	-	0	-
Tatva Global Environmental Deonar Limited	-	-	-	-	-		0	-	0	-
(D) INTEREST RECEIVABLE	-	-	-	-	-	-	0	0	0	0
Tatva Global Environmental Deonar Limited	-	-	-	-	-	-	0	0	0	0
(E) MANAGEMENT FEES RECEIVABLE	-	-	-	-	-	-	1	16	1	16
Tatva Global Environment Private Limited	-	-	-	-	-	-	0	3	0	3
Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	0	11	0	11
Bharuch Enviro Inf. Ltd.							0	1	0	1
Uniphos Enterprises Ltd.							0	1	0	1
Enviro Technology Ltd							0	0	0	0

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for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

Relationship	Subsidiaries		Associates		Joint Venture		Enterprises over which Key Management Personnel have Significant Influence		Grand Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NATURE OF TRANSACTIONS:	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
(F) REIMBURSEMENT RECEIVABLE	29	59	-	-	-	-	-	-	29	59
UPL Limited – Gibraltar	0	44	-	-	-	-	-	-	0	44
Advanta Semilas SAIC	1	8	-	-	-	-	-	-	1	8
UP Aviation Limited	-	6	-	-	-	-	-	-	-	6
UPL Management DMCC	-	-	-	-	-	-	-	-	5	0
United Phosphorus (India) LLP	21	0	-	-	-	-	-	-	21	-
Others	2	1	-	-	-	-	-	-	2	1
(G) ADVANCES FROM CUSTOMERS	888	624	-	-	-	-	-	-	888	624
UPL Corporation Ltd.	-	350	-	-	-	-	-	-	-	350
UPL Limited Mauritius	444	270	-	-	-	-	-	-	444	270
UPL Management DMCC	443	-	-	-	-	-	-	-	443	-
Others	-	4	-	-	-	-	-	-	-	4
(H) DEPOSIT GIVEN	-	-	-	-	-	-	8	5	8	5
Bloom Packaging Pvt. Ltd.	-	-	-	-	-	-	1	1	1	1
Daman Ganga Pulp And Papers	-	-	-	-	-	-	4	4	4	4
BEIL Infrastructure Limited	-	-	-	-	-	-	3	-	3	-
Others	-	-	-	-	-	-	0	0	0	0
(I) ADVANCE FOR INVESTMENTS PENDING ALLOTMENT	50	-	-	-	-	-	-	-	50	-
Nurture Agtech Pvt. Ltd.	-	-	-	-	-	-	-	-	50	-

Notes to Standalone Financial Statements
for the year ended March 31, 2021

36. RELATED PARTY TRANSACTIONS (CONTD.)

e) Transactions with Key Management Personnel and their relatives

₹ in crore

Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Remuneration (Refer Note 1 below)		
Short-term benefits	22	23
Post-Employment benefits	1	1
	23	**24**
Rent Paid	1	1
Professional Fees	1	1
Reimbursements Made	0	0
Outstanding's as at the Balance Sheet Date:		
Sundry Deposits given	0	0
Professional Fees Payable	-	0
Rent Payable	-	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

Nature of Relationship	March 31, 2021		March 31, 2020	
	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				
SWAL Corporation Limited	-	-	-	162

Notes:

1. The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. The above figures do not include provisions for gratuity and compensated absence as separate actuarial valuation are not available.

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, 2021	As at March 31, 2020
Employee cost & other expenses	39	34
Finance cost capitalised	37	48

Borrowing cost was capitalised at the rate 8.13% (March 2020: 7.89%).

Notes to Standalone Financial Statements
for the year ended March 31, 2021

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, 2021 (In. '000)	As at March 31, 2021 (₹ in crore)	As at March 31, 2020 (In. '000)	As at March 31, 2020 (₹ in crore)	Purpose
Nature of Instrument						
Forward contract - Buy	USD	53,310	390	9,432	71	Hedging

Un-hedged Foreign Currency balances:

	Currency	As at March 31, 2021 (In. '000)	As at March 31, 2021 (₹ in crore)	As at March 31, 2020 (In. '000)	As at March 31, 2020 (₹ in crore)
Payables					
	USD	3,15,761	2,309	2,89,846	2,187
	EUR	12,351	106	8,635	72
	GBP	143	1	165	1
	AUD	11	0	1	0
	CHF	1,295	10	-	-
	AED	115	0	115	0
	CAD	4	0		
Receivable	USD	2,76,247	2,020	1,94,393	1,471
	EUR	22,151	190	5,717	47
	AUD	7,180	40	6,095	28
	PHP	33	0	33	0
	CHF	788	6	316	2
	GBP	1	0	10	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

₹ in crore

Particulars	Notes	Non-current Year ended March 31, 2021	Non-current Year ended March 31, 2020	Current Year ended March 31, 2021	Current Year ended March 31, 2020
(A) Accounting, classification and fair values					
Financial assets measured at fair value through profit or loss (FVTPL)					
Investments in unquoted equity shares	5	17	17	-	-
Investments in unquoted optionally convertible bonds	5	8	7	-	-
		25	**24**	**-**	**-**
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares	5	6	5	-	-
		6	**5**	**-**	**-**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

39. CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTD.)

₹ in crore

Particulars	Notes	Non-current Year ended March 31, 2021	Non-current Year ended March 31, 2020	Current Year ended March 31, 2021	Current Year ended March 31, 2020
(A) Accounting, classification and fair values:					
Financial assets measured at amortised cost					
Security Deposits	6	71	64	-	-
Investments	5	0	0	-	-
Loans to employees	6	-	-	2	2
Interest receivable	7	-	-	21	7
Export benefits receivable	7	33	35	86	159
Insurance claim receivable against loss due to fire (Refer Note 43)	7	-	-	139	-
Receivables from related parties	7	-	-	30	75
Trade receivable	10	-	-	4,046	3,161
Cash and cash equivalents	11	-	-	281	138
Other bank balance	11A	-	-	53	25
		104	**99**	**4,658**	**3,567**
Financial liabilities measured at amortised cost					
Unsecured Redeemable Non-convertible Debentures (NCDs)	14 and 15	384	458	107	33
Lease liabilities	48	86	82	48	31
Loans repayable on demand					
- Secured	14	-	-	301	251
- Unsecured	14	-	-	252	288
Unsecured Commercial papers from Banks and others	14			150	-
Trade Deposits	15	-	-	48	46
Creditors for capital goods	15	-	-	116	177
Interest accrued on borrowings	15	-	-	1	1
Unpaid dividend	15	-	-	9	8
Others	15	3	3	239	105
Trade payables MSME	17	-	-	86	64
Trade payables (current)	18	-	-	4,231	3,233
		473	**543**	**5,588**	**4,237**

(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 us ing 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

39. CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTD.)

- 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, 2021 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, 2021:

₹ 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, 2021	6	6	-	-
FVTPL financial investments (Note 5):					
Unquoted equity shares	March 31, 2021	17	-	-	17
Unquoted optionally convertible bonds	March 31, 2021	8	-	8	-

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, 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

40. FAIR VALUE HIERARCHY (CONTD.)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

₹ in crore

	March 31, 2021	March 31, 2020
Opening balance	17	7
Fair value impact of unquoted equity shares	0	10
Closing balance	**17**	**17**

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.

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, 2021	+100	(3)	(1)
	-100	1	1
March 31, 2020	+100	(3)	(3)
	-100	3	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 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

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, 2021, 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, 2021	1%	(3)	(1)
	-1%	3	1
March 31, 2020	1%	(7)	(6)
	-1%	7	6

₹ in crore

	Change in Euro Rate	Effect on profit or loss	Effect on equity
March 31, 2021	1%	1	0
	-1%	(1)	(0)
March 31, 2020	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 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

Customser 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:

Notes to Standalone Financial Statements

for the year ended March 31, 2021

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

₹ in crore

Trade receivables-Days past due	As at March 31, 2021		As at March 31, 2020	
	Expected credit loss	Average %	Expected credit loss	Average %
Current	5	0.62%	4	0.61%
0-60 Days	3	1.64%	3	1.56%
61-180 days	4	6.26%	12	6.62%
181-270 days	2	18.29%	4	18.34%
more than 270 Days	99	72.62%	97	68.79%
Total	**113**		**120**	

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 (March 31, 2020: ₹3 crore) and is included in the provision for expected credit loss.

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, 2021, March 31, 2020 is the carrying amounts as illustrated in Note 10 except for financial guarantees and derivative financial instruments.

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, 2021			
	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (Refer Note 14)	703	135	249	1,087
Other financial liabilities (Refer Note 15)	568	3	-	571
Trade and other payables (Refer Note 17 and 18)	4,317	-	-	4,317
	5,588	**138**	**249**	**5,975**

₹ 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**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

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, 2021 and March 31, 2020.

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, 2021	As at March 31, 2020
Borrowings (Refer Notes 14 and 15)	1,194	1,030
Less: cash and cash equivalents (Note 11)	(281)	(138)
Net debt	**913**	**892**
Equity (Note 12 and 13)	7,786	8,024
Total capital	**7,786**	**8,024**
Capital and net debt	8,699	8,916
Gearing ratio	10%	10%

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, 2021	Year ended March 31, 2020
Losses due fire at factory (Refer Note (i) below)	15	-
Amount payable as per final order of towards compensation to Gujarat Pollution Control Board (Refer Note (ii) below)	-	10
	15	**10**

(i) Losses due fire at factory
On February 23, 2021 there was a fire at Unit-5, Jhagadia in Gujarat. In this incident certain property, plant and equipment, inventory and other assets were damaged. The Company lodged an initial estimate of loss with the insurance companies and the survey is currently ongoing. During the year ended March 31, 2021, the Company has written off net book value of assets damaged and employee compensation aggregating ₹ 194 crore and recognised, basis valid insurance contracts with respect to the said loss, a minimum insurance claim receivable of ₹ 179 crore. During the year the Company has received an interim relief by way of on account payments from the insurance companies towards assets and inventories aggregating of ₹ 31crore and the same has been adjusted against the claims receivable.

(ii) Compensation to Gujarat Pollution Control Board
Exceptional items for the year ended March 31, 2020 pertain to amount paid by the Company for towards compensation to Gujarat Pollution Control Board.

Notes to Standalone Financial Statements
for the year ended March 31, 2021

44. SPECIFIED BANK NOTES
The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2021.

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, 2021 and March 31, 2020 would have been higher by ₹370 crore respectively and goodwill and equity as at March 31, 2021 and March 31, 2020 would have been higher ₹ 2,212 crore and ₹1,842 crore respectively.

46. CSR EXPENDITURE:
Details of CSR expenditure:

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Gross amount required to be spent by the Company during the year	10	9
	10	**9**

₹ in crore

	Year ended March 31, 2021		
	In cash	Yet to be paid in Cash	Total
Amount spent during the year			
Construction/acquisition of any asset	-	-	-
On purposes other than above*	100	0	100
	100	**0**	**100**

** includes contribution made by the Company to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM Care Fund) of ₹75 crore.*

₹ in crore

	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**

Notes to Standalone Financial Statements
for the year ended March 31, 2021

47. SEGMENT INFORMATION

1. Information about operating business segments

₹ in crore

	Year ended March 31, 2021				Year ended March 31, 2020			
	Agro Activity	Non-Agro Activity	Unallocated	Total	Agro Activity	Non-Agro Activity	Unallocated	Total
Revenue								
External-revenue from contracts with customers	10,271	912	(0)	11,183	8,854	651	1	9,506
External-revenue from contracts with others	144	5	13	162	124	5	6	135
Inter segment	(237)	237	-	-	(241)	241	-	-
Total revenue	**10,178**	**1,154**	**13**	**11,345**	**8,737**	**897**	**7**	**9,641**
Segment Results								
Contribution	1,095	154	-	1,249	759	98	-	857
Add: Inter segment profit	(31)	31	-	-	(48)	48	-	-
Total segment results	**1,064**	**185**	**-**	**1,249**	**711**	**146**	**-**	**857**
Unallocated income net of unallocated expenses				493				37
Finance costs				307				272
Exceptional items (Refer Note 43)				15				10
Profit before taxation				**434**				**538**
Provision for:								
Current tax				195				55
Deferred tax				19				22
Net profit after tax				**220**				**461**
Other information								
Segment assets	11,979	996	2,308	15,283	10,771	814	2,243	13,828
Segment liabilities	5,658	310	1,529	7,497	4,309	270	1,225	5,804
Capital expenditure	1,055	108	44	1,207	955	97	43	1,095
Depreciation of property, plant and equipment	434	54	9	497	357	49	8	414
Amortisation of intangible assets	424	0	4	428	426	0	12	438
Non-cash (income)/expenses other than depreciation (net)	(35)	0	0	(35)	111	0	0	111

2. Information about Geographical Business Segments

₹ in crore

	Year ended March 31, 2021			Year ended March 31, 2020		
	India	Outside India	Total	India	Outside India	Total
Revenue by geographical market						
External	5,652	5,693	11,345	4,091	5,550	9,641
Carrying amount of non-current operating assets	6,242	200	6,442	6,151	229	6,380

Notes to Standalone Financial Statements
for the year ended March 31, 2021

47. SEGMENT INFORMATION (CONTD.)

3. Revenues from external customers attributed to an individual material foreign countries

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Countries		
USA	1,078	1,463
Brazil	1,199	1,018
	2,277	**2,481**

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 following related parties), with whom revenue from transactions is more than 10% of Company's total revenue.

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Countries		
UPL Corporation Ltd.	1,445	1,380
UPL Limited Gibraltar	6	1,805
UPL Ltd. - Mauritius	1,133	1,069
UPL Management DMCC	1,847	97
United Phosphorus (India) LLP	1,781	1,354

(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, 2021

48. 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	March 31, 2021				
	Land and Building	Plant and Machinery	Vehicles	Office equipment	Total
Balance at March 31, 2020	97	0	8	0	105
Additions to right of use assets	57	17	7	0	81
Depreciation charge for the year	(44)	(2)	(6)	(0)	(52)
Derecognition of right of use assets	-	-	-	-	-
Balance at March 31, 2021	**110**	**15**	**9**	**0**	**134**

₹ in crore

Particulars	March 31, 2020				
	Land and Building	Plant and Machinery	Vehicles	Office equipment	Total
Adoption of Ind AS 116 "Leases" (as on April 1, 2019)	161	0	14	0	175
Depreciation charge for the year	(33)	(0)	(6)	(0)	(39)
Additions to right of use assets	0	-	-	-	0
Derecognition of right of use assets	(31)	-	-	-	(31)
Balance at March 31, 2020	**97**	**0**	**8**	**0**	**105**

** 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, 2021	March 31, 2020
Less than one year	58	42
One to three years	80	68
More than three years	27	25
Total undiscounted cash flows	**165**	**135**
Discounted lease liabilities as at March 31, 2020-		
Current	48	31
Non-current	86	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, 2021	Year ended March 31, 2020
Short-term lease rent expense	47	49
	47	**49**

Notes to Standalone Financial Statements

for the year ended March 31, 2021

48. LEASES AS LESSEE (CONTD.)

Depreciation and impairment losses

₹ in crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of right of use lease asset	52	39
	52	**39**

Finance cost

₹ in crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on lease liability	14	14
	14	**14**

iv. Amount recognised in statement of cash flows

₹ in crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash outflow for short-term leases	47	49
Principal component of Cash outflow for long-term leases	48	46
Total cash outflow for leases	**95**	**95**

49. GOODWILL IMPAIRMENT

For the purpose of impairment testing, goodwill has been allocated to the Company's CGU of ₹1,485 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.

	Growth Rate	Discount rate	Growth Rate	Discount rate
	March 31, 2021	March 31, 2021	March 31, 2020	March 31, 2020
Cash Generating Unit (CGU)	8%-12%	10%-11%	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.

Sensitivity Analysis:

The Company has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount of CGU to which goodwill is allocated. The management believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGU.

50. INCOME TAX

On January 22, 2020, the Income Tax Department conducted searches at the premises of the Company. Subsequently, the Company received notices under the Income Tax Act for filing the Income Tax Returns/revised returns for past years. In compliance to said notices, Company has filed its return of Income. Further, the Income Tax Department has issued notices to the Company calling for certain preliminary information. The Company is in the process of responding to the above notices and does not expect any significant financial or reporting implications to emerge out of this matter.

51. CODE ON SOCIAL SECURITY, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company is in the process of carrying out the evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

52. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

₹ in crore

	As at March 31, 2021	As at March 31, 2020
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	86	64
Interest due on above, current year ₹ 0 (March 31, 2020: ₹0)	0	0
Total	**86**	**64**
The amount of interest paid by the buyer under 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 (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, current year ₹ 0 (March 31, 2020: ₹ 0)	0	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.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

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, 2021, 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 and joint operations 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, 2021, 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 and 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 2.3d 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. • The timing of revenue recognition is relevant to the reported performance to 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 15, Revenue from contracts with customers.

Independent Auditors' Report (Contd.)

Revenue recognition, rebates and sales returns
Refer Note 2.1 and 2.3d to the accounting policies and Note 21 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
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 2.3d 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 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 assessed appropriateness of the year-end rebate accrual by comparing the current year-end customer rebate accruals and rebate costs with the prior year rebate accruals and rebate cost taking into account the actual sales for the current year and prior year. We also performed a retrospective review by verifying, on a sample basis, that the actual cost incurred booked in the current year which pertained to prior year was appropriately accrued as at prior year-end and also, by verifying, on a sample basis, that there has been no significant reversal from the accrual as at prior year.

Impairment of Goodwill and other intangible assets
See note 2.1 and 2.3a 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 ₹ 17,689 crore as at March 31, 2021. 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 judgemental 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.

Independent Auditors' Report (Contd.)

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 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/loss 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 judgements 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 of 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 judgement and maintain professional scepticism 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 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

Independent Auditors' Report (Contd.)

Independent Auditors' Report (Contd.)

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 197 subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of ₹ 122,210 crore as at March 31, 2021, total revenues (before consolidation adjustments) of ₹ 54,272 crore, and net cash inflows (net) amounting to ₹ 1,462 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 after tax (net) (before consolidation adjustments) of ₹ 42 crore for the year ended March 31, 2021, 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.

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, 2021 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, 2021 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, 2021 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 17 and 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 7B and 16 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, 2021.

   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 financial statements since they do not pertain to the financial year ended March 31, 2021.

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: 21042070AAAABR3182

Place: Mumbai
Date: May 12, 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of UPL Limited for the period ended March 31, 2021

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 the UPL Limited as of and for the year ended March 31, 2021, 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, 2021, 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

Annexure A to the Independent Auditors' report on the consolidated financial statements of UPL Limited for the period ended March 31, 2021 (Contd.)

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 13 subsidiary companies and 4 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: 21042070AAAABR3182

Place: Mumbai
Date: May 12, 2021

Consolidated Balance Sheet

as at March 31, 2021

₹ in crore

	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	3	6,452	5,596
Capital work-in-progress	3	899	1,059
Goodwill	4	17,689	18,241
Right of use assets	48	695	642
Other intangible assets	4	9,929	10,842
Intangible assets under development	4	1,218	1,014
Investments accounted for using the equity method	5	380	360
Financial assets			
(i) Investments	5	201	198
(ii) Trade receivables	10	435	190
(iii) Loans	6	181	157
(iv) Other financial assets	7	37	123
Non-current tax assets (net)		111	289
Deferred tax assets (net)	18	1,666	1,655
Other non-current assets	8A	468	476
Total non-current assets		**40,361**	**40,842**
Current assets			
Inventories	9	9,422	7,850
Financial assets			
(i) Investments	5	37	-
(ii) Trade receivables	10	12,591	11,867
(iii) Cash and cash equivalents	11	4,797	6,724
(iv) Bank balances other than cash and cash equivalents	11A	56	28
(v) Loans	6	55	40
(vi) Other financial assets	7	456	801
Current tax assets (net)		366	87
Other current assets	8A	2,235	1,793
Total current assets		**30,015**	**29,190**
Assets classified as held for sale	8B	55	51
Total Assets		**70,431**	**70,083**
Equity and liabilities			
Equity			
Equity share capital	12	153	153
Other equity	13	17,748	16,143
Equity attributable to owners of the parent		**17,901**	**16,296**
Perpetual Subordinated Capital Securities	12A	2,986	2,986
Non-controlling interests		3,693	3,312
Total Equity		**24,580**	**22,594**
Liabilities			
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	15	22,146	27,371
(ii) Lease Liabilities	48	580	586
(iii) Other financial liabilities	16	798	45
Provisions	17	38	24
Deferred tax liabilities (net)	18	2,662	2,777
Total non-current liabilities		**26,224**	**30,803**
Current liabilities:			
Financial liabilities			
(i) Borrowings	15	1,414	1,298
(ii) Trade payables	19		
Total outstanding dues of Micro enterprises and Small enterprises		87	64
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		12,438	10,169
(iii) Other financial liabilities	16	1,835	1,654
(iv) Current maturities of lease liabilities	48	156	96
Other current liabilities	20	2,309	1,910
Provisions	17	865	1,110
Current tax liabilities (net)		523	385
Total current liabilities		**19,627**	**16,686**
Total liabilities		**45,851**	**47,489**
Total equity and liabilities		**70,431**	**70,083**
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of these consolidated financial statements	1 - 50		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

₹ in crore

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	21	38,694	35,756
Other income	22	258	104
Total Income		**38,952**	**35,860**
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)		19,096	18,743
Employee benefits expenses	23	3,712	3,391
Finance costs	24	2,060	1,481
Impairment loss on trade receivables	10	80	49
Depreciation and amortisation expenses	25	2,173	2,012
Exchange Difference (net) on trade receivables and trade payables		207	331
Other expenses	26	7,247	6,470
Total Expenses		**34,575**	**32,476**
Profit before share of of profit/loss of equity accounted investee, exceptional items and tax		**4,377**	**3,384**
Share of Profit/(Loss) of equity accounted investees	33 & 34	42	3
Profit before exceptional items and tax		**4,419**	**3,387**
Exceptional items	27	238	623
Profit before tax		**4,181**	**2,764**
Tax expenses		**686**	**586**
Current tax	18	936	759
Adjustments of tax relating to earlier years	18	(105)	8
Deferred tax	18	(145)	(181)
Profit for the year		**3,495**	**2,178**
Other comprehensive income (OCI)			
A. (i) Items that will not be reclassified subsequently to profit or loss	28	31	(118)
(ii) Income tax relating to items that will not be reclassified to profit or loss	28, 18	(5)	9
B. (i) Items that will be reclassified subsequently to profit or loss	28	(976)	(150)
(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		**(950)**	**(259)**
Total Comprehensive Income for the year		**2,545**	**1,919**
Profit for the year		**3,495**	**2,178**
Attributable to:			
Owners of the parent		2,871	1,776
Non-controlling interests		624	402
Other Comprehensive Income		**(950)**	**(259)**
Attributable to:			
Owners of the parent		(683)	(160)
Non-controlling interests		(267)	(99)
Total comprehensive income for the year		**2,545**	**1,919**
Attributable to:			
Owners of the parent		2,188	1,616
Non-controlling interests		357	303
Earnings per equity share	29		
Basic (₹)		**36.40**	**23.24**
Diluted (₹)		**36.40**	**23.24**
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of these consolidated financial statements.	1 - 50		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Changes in Equity
for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

	Equity shares of ₹ 2 each	
	Nos.	₹ in crore
At March 31, 2019	**50,93,42,670**	**102**
Changes during the year	25,47,02,786	51
At March 31, 2020	**76,40,45,456**	**153**
Changes during the year	-	-
At March 31, 2021	**76,40,45,456**	**153**

B. OTHER EQUITY
For the year ended March 31, 2021

Amount in ₹ crores

	Attributable to the owners of the parent											Total	Non-controlling interest	Total other equity
	Reserves and surplus								Items of OCI					
	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			
At March 31, 2020	**6**	**190**	**4,594**	**140**	**1,848**	**0**	**(3,693)**	**14,070**	**(178)**	**(183)**	**(652)**	**16,143**	**3,313**	**19,455**
Profit for the year	-	-	-	-	-	-	-	2,871	-	-	-	2,871	624	3,495
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(10)	66	36	(775)	(683)	(267)	(950)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,861**	**66**	**36**	**(775)**	**2,188**	**357**	**2,545**
Dividends paid during the year	-	-	-	-	-	-	-	(458)	-	-	-	(458)	-	(458)
Payment of coupon on Perpetual Subordinated Capital securities	-	-	-	-	-	-	-	(90)	-	-	-	(90)	-	(90)
Gain on acquisition of additional stake from NCI	-	-	-	-	-	-	-	(22)	-	-	-	(22)	22	-
NCI on Acquisition during the period	-	-	-	-	-	-	-	-	-	-	-	-	2	2
Foreign exchange impact	-	(13)	-	-	-	-	-	-	-	-	-	(13)	-	(13)
At March 31, 2021	**6**	**177**	**4,594**	**140**	**1,848**	**0**	**(3,693)**	**16,361**	**(112)**	**(147)**	**(1,427)**	**17,748**	**3,694**	**21,441**

Consolidated Statement of Changes in Equity
for the year ended March 31, 2021

For the year ended March 31, 2020

Amount in ₹ crores

	Attributable to the owners of the parent											Total	Non-controlling interest	Total other equity
	Reserves and surplus								Items of OCI					
	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			
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**
Impact on adoption of IFRIC 23	-	-	-	-	-	-	-	(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	2,178
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(6)	(116)	(79)	41	(160)	(99)	(259)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,770**	**(116)**	**(79)**	**41**	**1,616**	**303**	**1,919**
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 March 31, 2020	**6**	**190**	**4,594**	**140**	**1,848**	**0**	**(3,693)**	**14,070**	**(178)**	**(183)**	**(652)**	**16,143**	**3,313**	**19,455**

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.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

Sr. No.	Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A.	**Cash Flow from operating activities**				
	Profit before tax		4,181		**2,764**
	Adjustments for:				
	Depreciation and amortisation expense	2,173		2,012	
	Finance costs	2,060		1,481	
	Impairment loss/(reversal) on trade receivables	(75)		(2)	
	Assets written off	6		19	
	Bad debts written off	155		51	
	(Gain)/loss on disposal of property, plant and equipment	(8)		(3)	
	Finance Income	(193)		(86)	
	Unwinding of interest on trade receivables	(22)		3	
	Manufacturing expenses capitalised	-		48	
	Excess provisions in respect of earlier years written back (net)	(38)		(8)	
	Sundry credit balances written off (net)	(1)		4	
	Share of (profit)/loss from Associates/Joint Ventures	(42)		(3)	
	Exceptional items (excess provision written back)/provison	(47)		234	
	Loss/(Gain) on sale of current and non-current investments (net)	2		(6)	
			3,970		**3,744**
	Operating profit before working capital changes		**8,151**		**6,508**
	Working capital adjustments				
	(Increase)/Decrease in inventories	(1,520)		1,355	
	(Increase)/Decrease in non-current and current trade receivables	(628)		(313)	
	(Increase)/Decrease in other non-current and current assets	(492)		(60)	
	(Increase)/Decrease in other non-current and current financial assets	375		15	
	Increase/(decrease) in non-current and current trade payables	2,039		119	
	Increase/(decrease) in non-current and current provisions	(137)		(32)	
	Increase/(decrease) in other current liabilities	153		1,187	
	Increase/(decrease) in other non-current and current financial liabilities	(4)		779	
			(214)		**3,050**
	Cash generated from operations		**7,937**		**9,558**
	Income taxes paid (net)		(725)		(819)
	Net cash flow from operating activities		**7,212**		**8,739**
B.	**Cash flow from investing activities**				
	Purchase of Property, plant and equipment including Capital-work-in-progress and capital advances		(1,619)		(1,475)
	Purchase of intangible assets including assets under development		(503)		(505)
	Proceeds from sale of property, plant and equipment		57		45
	Insurance claim received against loss of property, plant and equipment due to fire		25		-
	Payment for acquisition of subsidiaries, net of cash acquired		(179)		(761)
	Payment of contingent consideration		-		(94)
	Purchase of investments		(28)		(9)
	Proceeds from sale of non-current investments and subsidiary		-		63
	Sundry loans given		(23)		(12)
	Sundry loans repayment received		-		17
	Fixed deposit, margin money and dividend accounts (net)		-		(3)
	Profit on sale of investment in mutual funds/bonds		(2)		6
	Interest received		171		85
	Net cash flow (used in) investing activities		**(2,101)**		**(2,643)**
C.	**Cash flow from financing activities**				
	Proceeds from long term borrowings		7,311		-
	Repayment of long term borrowings		(11,675)		(1,667)

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Short-term borrowings (net)	145	(1,203)
	Issue of Perpetual Subordinated Capital Securities	-	3,027
	Expenses on Issuance of Perpetual Subordinated Capital Securities	-	(40)
	Expenses on Refinancing of Borrowing and Issuance of Unsecured Bonds	(99)	-
	Interest paid and other financial charges	(1,655)	(1,646)
	Payment of principal portion of lease liabilities	(282)	(189)
	Dividend paid to non-controlling interest by subsidiaries	-	(50)
	Dividends paid	(458)	(407)
	Net cash flow used in financing activities	**(6,713)**	**(2,175)**
D.	**Exchange difference arising on conversion debited to foreign currency translation reserve**	(325)	(23)
	Net (Decrease)/Increase in cash and cash equivalents (A+B+C+D)	**(1,927)**	**3,898**
	Cash and cash equivalents as at the beginning of the year (Refer Note 11)	6,724	2,826
	Cash and cash equivalents as at the end of the year (Refer Note 11)	**4,797**	**6,724**

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Particulars	Notes	March 31, 2020	Cash flows	Non-cash changes				March 31, 2021
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Debentures								
Unsecured Redeemable Non-convertible Debentures (NCDs)	15 and 16	491	-	-	-	-	-	492
Bonds (Unsecured)								
3.25% Senior Notes	15	3,761	(3,656)	-	(127)	-	22	-
4.50% Senior Notes	15	2,247	(65)	-	(72)	-	-	2,111
4.625% Senior Notes	15	-	3,359	-	(6)	-	-	3,353
Term Loan								
From Banks (Unsecured)	15	20,880	(4,103)	-	(672)	-	170	16,274
From Banks (Secured)	15	-	-	-	-	-	-	-
From others (Unsecured)	15	18	1	-	-	-	-	19
Finance Lease Liabilities	34	7	(2)	-	-	-	-	5
Cash credit, packing credit and working capital demand loan accounts and Commercial Papers	15	1,048	108	-	(20)	-	3	1,139
Discounted Trade Receivables	15	250	40	-	(14)	-	-	275
Interest paid and other financial charges	16	110	(1,655)				1,650	105
Total liabilities from financing activities		**28,811**	**(5,973)**	**-**	**(912)**	**-**	**1,845**	**23,773**

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 Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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, 2021.

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 is provided in Note 31.

The consolidated financial statements were authorised for issue in accordance with the resolution of the directors on May 12, 2021.

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.

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

The consolidated 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.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, (collectively, 'the Group') as at and for the year ended March 31, 2021. 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, 2020 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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.

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.

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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. (Refer Note 2.3 (m) for more details).

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 group and the revenue can be reliably measured. 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 Goods and Service Tax (GST).

The specific recognition criteria described below must also be met before revenue is recognised.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group 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.

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,

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

there is no financing component in the contract. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient under IND AS 115 are measured at the transaction price.

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 Group 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 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 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

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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 Group 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	2 - 18 Years
4.	Improvements – Land	6 - 10 Years
5.	Improvements – Building	6 - 10 Years
6.	Laboratory Equipment	10 Years
7.	Land – Leasehold	50 years or term of lease if shorter
8.	Office Equipment	5 - 20 Years
9.	Plant and Equipment	3 - 25 Years
10.	Vehicles	3 - 10 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.

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 there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of our brands and the level of marketing support. These assets are not amortised but are subject to a review for impairment annually, or more frequently if events or circumstances indicate this is necessary. Any impairment is charged to the income statement as it arises. 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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 Contracts	Fifteen years	Amortised on straight-line basis
Product Registrations	Five to Fifteen years	Amortised on straight-line basis
Software/License Fees	Four to Five Years	Amortised on straight-line basis
Task Force expenses	Five Years	Amortised on straight-line basis
Non compete	Five Years	Amortised on straight-line basis
Brand	Indefinite	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.

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 operations

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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.

- Quantitative disclosures of fair value measurement hierarchy (note 45).
- Financial instruments (including those carried at amortised cost) (notes 5, 6, 7, 10, 11, 11A, 15, 16, 19, 44, 45, 46, 47).

k) Leases

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.

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.

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

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costs of completion and the estimated costs necessary to make the sale.

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. 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.

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 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.

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

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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.

Uncertainty over Income Tax Treatment

The group is subject to taxation in the many countries in which it operates. The tax legislation of these countries differs, is often complex and is subject to interpretation by management and the government authorities. These matters of judgement give rise to the need to create provisions for tax payments that may arise in future years with respect to transactions already undertaken. Provisions are made against individual exposures and take into account the specific circumstances of each case, including the strength of technical arguments, recent case law decisions or rulings on similar issues and relevant external advice. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

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.

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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 Company initially measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

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 Group 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.

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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 assets; and
- All lease receivables resulting from transactions within the scope of Ind AS 116.

The Group recognises impairment loss allowance based on lifetime ECLs for the aforementioned items, at each reporting date, right from its initial recognition. 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 group does not reduce impairment allowance from the gross carrying amount.

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.

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

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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 Group 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 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

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, 2021.

MCA issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 1, 2021.

2.4 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

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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.

Impairment of goodwill

Goodwill is tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of the CGUs have been determined based on the value in use, by discounting the future cash flows to be generated from the continuing use of the CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Useful lives of property, plant and equipment

The Group 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

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

experience and underlying schemes and agreements with customers. Refer Note 21.

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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	Total Property, Plant and Equipment	Capital Work-in-Progress	Total
Cost														
At March 31, 2019	**304**	**284**	**1,604**	**5,999**	**95**	**212**	**134**	**235**	**17**	**93**	**79**	**9,057**	**1,166**	**10,222**
Additions during the year	5	22	182	1,307	21	25	40	42	0	3	-	1,648	1,163	2,811
Acquisition through business combinations (Refer Note 41)	6	-	17	2	0	1	-	4	-	-	-	30	-	30
Disposals during the year	(0)	(8)	(26)	(103)	(1)	(7)	(11)	(21)	(0)	-	-	(177)	-	(177)
Transfers/Capitalised	-	(33)	(22)	-	-	-	-	-	-	-	-	(55)	(1,283)	(1,338)
Reclassification	5	(81)	(57)	(50)	54	(38)	75	(0)	10	68	-	(15)	-	(15)
Exchange differences	8	(1)	55	71	5	1	1	(4)	2	1	7	146	14	160
At March 31, 2020	**328**	**183**	**1,753**	**7,226**	**175**	**194**	**240**	**255**	**29**	**165**	**86**	**10,634**	**1,059**	**11,693**
Additions during the year	48	79	143	1,305	18	15	30	28	-	71	-	1,737	1,173	2,910
Acquisition through business combinations (Refer Note 41)	-	-	155	74	-	2	-	1	-	-	-	232	-	232
Disposals during the year	(5)	-	(29)	(274)	(42)	(4)	(20)	(24)	(8)	(10)	-	(416)	(1,300)	(1,716)
Transfers/Capitalised	(2)	-	(5)	(24)	(1)	-	(2)	-	-	-	-	(34)	(33)	(67)
Reclassification	-	17	(61)	12	8	11	10	3	-	-	-	-	-	-
Exchange differences	1	1	6	68	4	-	1	(7)	1	3	(3)	75	-	75
At March 31, 2021	**370**	**280**	**1,962**	**8,387**	**162**	**218**	**259**	**256**	**22**	**229**	**83**	**12,228**	**899**	**13,127**
Depreciation														
At March 31, 2019	**-**	**38**	**649**	**3,151**	**45**	**138**	**94**	**134**	**17**	**61**	**40**	**4,366**	**-**	**4,367**
Depreciation charge for the year (Refer Note 25)	-	0	74	521	12	18	31	41	4	11	11	722	-	722
Acquisition through business combinations (Refer Note 41)	-	-	4	1	0	0		2	-	-	-	8	-	8
Disposals during the year	-	(2)	(14)	(86)	(1)	(7)	(9)	(16)	0	-	-	(134)	-	(134)
Transfers			(15)	-	-	-	-	-	-	-	-	(15)	-	(15)
Reclassification	-	(35)	(22)	(62)	38	(24)	54	3	5	26	-	(15)	-	(15)
Exchange differences	-	0	28	67	2	1	2	(2)	1	3	3	105	-	105
At March 31, 2020	**-**	**2**	**705**	**3,592**	**97**	**127**	**172**	**162**	**27**	**101**	**54**	**5,038**	**-**	**5,039**
Depreciation charge for the year (Refer Note 25)	-	1	85	668	14	19	34	36	-	15	11	883	-	883
Acquisition through business combinations (Refer Note 41)	-	-	17	17	-	1	-	-	-	-	-	35	-	35

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for the year ended March 31, 2021

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

₹ in crore

	Land – Freehold	Land – Leasehold	Building	Plant and Equipment	Laboratory Equipments	Furniture Fixtures and Equipments	Office Equipment	Vehicles	Land Improvements	Building Improvements	Aircraft	Total Property, Plan and Equipment	Capital Work-in-Progress	Total
Disposals during the year	-	-	(17)	(117)	(33)	(3)	(17)	(21)	(7)	(10)	-	(225)	-	(225)
Transfers		-		(22)	(1)		(2)			-	-	(25)	-	(25)
Reclassification	-	-	(26)	(1)	4	11	10	2	-	-	-	-	-	-
Exchange differences	-	(1)	17	54	3		1	(5)	1	1	(1)	70	-	70
At March 31, 2021	**-**	**2**	**781**	**4,191**	**84**	**155**	**198**	**174**	**21**	**107**	**64**	**5,776**	**-**	**5,777**
Net book value														
At March 31, 2021	**370**	**278**	**1,181**	**4,196**	**78**	**64**	**62**	**82**	**1**	**123**	**18**	**6,452**	**899**	**7,351**
At March 31, 2020	**328**	**181**	**1,048**	**3,634**	**78**	**68**	**69**	**93**	**2**	**65**	**31**	**5,596**	**1,059**	**6,655**

On February 23, 2021 there was a fire at Unit-5, Jhagadia in Gujarat. In this incident certain property, plant and equipment were damaged. The Company has written off net book value of assets damaged of ₹ 136 crore (Gross block of ₹ 143 crore).

₹ in crore

Net book value	March 31, 2021	March 31, 2020
Plant, property and equipment	6,452	5,596
Capital work-in-progress	899	1,059
Total	**7,351**	**6,655**

Capital Work-in-Progress
Capital work-in-progress as at March 31, 2021 and March 31, 2020 comprises expenditure for the plant and building in the course of construction.

For property, plant and equipment given as security (Refer Note 15).

For contractual commitment with respect to property, plant and equipment Refer Note 37.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

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 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**
Acquisition through business combinations (Refer Note 41)	55	80	-	-		59	-	4	-	-	12	155
Additions during the year	-	243	-	-	100	-	-	-	-	-	388	731
Deductions during the year	-	(54)	(34)	-	(42)	-	-	-	-	-	(222)	(352)
Transfer/Capitalised	-	(4)	-	-	(3)	-	-	-	-	-	45	38
Reclassification	-	8	-	-	1	-	-	-	-	(7)	-	2
Foreign Exchange Adjustment	(606)	(17)	(285)	1	(2)	(82)	(14)	4	(2)	(7)	(19)	(423)
At March 31, 2021	**17,689**	**3,806**	**8,785**	**23**	**300**	**2,041**	**399**	**382**	**271**	**421**	**1,218**	**17,647**
Amortisation/Impairment												
At March 31, 2019	**-**	**2,675**	**479**	**19**	**172**	**436**	**-**	**124**	**262**	**440**	**-**	**4,607**
Acquisition through business combinations (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**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

4. INTANGIBLE ASSETS (CONTD.)

₹ 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)
Acquisition through business combinations (Refer Note 41)	-	4	-	-	-		-		-	-	-	4
Amortisation for the year (Note 25)	-	246	595	-	43	112	-	51	-	4	-	1,051
Amortisation on disposals	-	(46)	(34)	-	(41)	-	-	-	-	-	-	(121)
Transfer/Capitalised		(4)	-	-	-	-	-	(4)	-	-		(8)
Reclassification	-	7	-	-	(27)	-	-	27	-	(8)	-	(1)
Foreign Exchange Adjustment	-	(15)	(21)	1	(2)	(30)	-	9	(3)	(4)	-	(65)
At March 31, 2021	**-**	**3,132**	**1,623**	**23**	**198**	**608**	**-**	**230**	**270**	**414**	**-**	**6,498**
Net book value												
At March 31, 2021	**17,689**	**674**	**7,162**	**(0)**	**101**	**1,433**	**399**	**152**	**1**	**7**	**1,218**	**11,147**
At March 31, 2020	**18,241**	**610**	**8,021**	**(0)**	**20**	**1,538**	**413**	**228**	**0**	**13**	**1,014**	**11,857**

₹ in crore

Net book value	March 31, 2021	March 31, 2020
Goodwill	17,689	18,241
Other intangible assets	9,929	10,842
Intangible assets under development	1,218	1,014
Total	**28,836**	**30,097**

***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 managements'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 includes Intangible Assets in the nature of Data Access Fees, Trade Secrets and Trademarks.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

5. INVESTMENTS

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-current			
Investments accounted for using the equity method			
A.	**Investments in equity instruments**		
a)	Investment in Associates (Unquoted)		
(i)	30,000 [March 2020: 30,000] Equity Shares fully paid-up in 3SB Produtos Agricolas SA [includes goodwill of INR 48 Crores [March 2020 INR 55 Crores]	61	65
(ii)	454,307,170 [March 2020: 454,307,170] Equity Shares fully paid-up in Sinagro Produtos Agropecuarios SA. [includes goodwill of INR 32 Crores, [March 2020: INR 36 Crores] [refer Note (a) below]	-	-
(iii)	921,000 [March 2020: 921,000] Equity Shares of ₹10 each fully paid-up in Chemisynth [Vapi] Limited (refer Note (a) below)	-	-
(iv)	18,130 [March 2020: 18,130] Equity shares of ₹ 100 each of Universal Pestochem [Industries] Pvt. Ltd. (refer Note (a) below)	-	-
(v)	3,350,000 [March 2020: 3,350,000] Equity Shares of ₹10 each fully paid-up in Kerala Enviro Infrastructure Limited	6	6
(vi)	48,214 [March 2020: 48,214] Equity shares of INR 10 each, fully paid-up in Weather Risk Management Services Pvt Ltd [includes goodwill of INR 4 Crores (March 2020 INR 4 Crores)]	10	11
(vii)	103,016,215 [March 2020:103,016,215] Equity shares, fully paid-up in Serra Bonita Sementes S.A.[includes goodwill of INR (9) Crores {March 2020 INR (10) crores}]	145	158
(viii)	17,85,000 [March 2020: 17,85,000] Equity shares of CNY 0.30 each, fully paid up in Dillian Advanced Chemical (DAC)	0	1
(ix)	260 [March 2020: 260] Equity shares having no par value, in Agronamic (Pty) Ltd. [includes goodwill of INR 3 crores (2020: INR 3 crores)]	5	4
(x)	2,41,071 [March 2020: 2,41,071] Equity shares of ZAR 1 each, fully paid-up in Novon Protecta (Pty) Ltd [includes goodwill of INR (3) crores {2020: INR (2) crores}]	8	6
(xi)	251 [March 2020: 251] Equity shares of ZAR 1 each, fully paid-up in Agri Fokus (Pty) Ltd. [includes goodwill of INR (2) crores {2020: INR (1) crores}]	7	4
(xii)	1,004 [March 2020: 1,004] Equity shares having no par value, in Novon Retail Company (Pty) Ltd. [includes goodwill of INR 3 crores (2020: INR 3 crores)]	8	6
(xiii)	251 [March 2020: 251] Equity shares of ZAR 1 each, fully paid up in Silvix Forestry (Pty) Ltd. [includes goodwill of INR 12 lakh (2020: INR 14 lakh)]	0	0
(xiv)	1,920 [March 2020: 1,920] Equity shares of ZAR 0.10 each, fully paid-up in Nexus AG [includes goodwill of INR 4 crores (2020: INR 3 crores)]	13	9
(xv)	52,398 [March 2020: 52,398] Equity shares of XOF 10,000 each, fully paid-up in Société des Produits Industriels et Agricoles	14	13
(xvi)	28 [March 2020: Nil] Equity shares of E 1 each, fully paid-up in Eswatini Agricultural Supplies Limited	2	0
b)	Investment in Joint Ventures (Unquoted)		
(i)	1,627 [March 2020: 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 2020: 200] Equity shares fully paid up in Hodogaya UPL Co. Ltd	25	28
(iii)	88,223 [March 2020: 88,223] Equity shares of 1 AUD each fully paid-up in Longreach Plant Breeders Management Private Limited [includes goodwill of INR 21 Crores, [March 2020: INR17 Crores]	76	49
	Total non-current investments accounted for using the Equity Method	**380**	**360**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

5. INVESTMENTS (CONTD.)

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Investment stated at Amortised Cost			
	Investments in Government or trust securities (Unquoted)		
(i)	Indira Vikas Patra [Face Value: Current Year: INR 0.06 lac (March 31, 2020: INR 0.06 lac)]	0	0
(ii)	National Saving Certificates [Face Value: Current Year: INR 0.09 lac (March 31, 2020: INR 0.09 lac)]	0	0
Investments stated at Fair Value through OCI			
	Investments in Equity Instruments (Quoted)		
	Investment in Others		
(i)	11,700,000 [March 2020: 11,700,000 Equity shares fully paid up in Ishihara Sangyo Kaisha Ltd.	70	45
(ii)	28,100 [March 2020: 28,100] Equity Shares of ₹10 each fully paid-up in Gujarat State Financial Corporation	0	0
(iii)	50,000 [March 2020: 50,000] Equity Shares of ₹10 each fully paid-up in Nivi Trading Limited	0	0
(iv)	41,150 [March 2020: 41,150] Equity Shares of ₹10 each fully paid-up in Transpek Industry Limited	6	5
(v)	5,307 [March 2020: 5,307] Equity Shares of ₹10 each fully paid-up in IDFC Limited	0	0
(vi)	5,307 [March 2020: 5,307] Equity Shares of ₹10 each fully paid-up in IDFC Bank Limited.	0	0
(vii)	17,990 [March 2020: 17,990] Equity Shares of ₹2 each fully paid-up in Bank of Baroda Limited	0	0
(viii)	1,891,630 [March 2020: 1,891,630] Equity Shares of USD 3.35 each fully paid-up in Agrofresh Solutions Inc. (Listed on the NASDAQ)	28	24
(ix)	5,24,427 [March 2020: 5,24,427] Equity shares of EUR 1.37 each, fully paid-up in ISAGRO S.P.A. (B)	12	3
	Investments in Equity Instruments (Unquoted)		
	Investment in Others		
(i)	7,41,800 [March 2020: 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 2020: 3,44,000] Equity shares of JPY 267.91 each, fully paid-up in Kyoyu Agri	6	6
(iv)	126 [March 2020: 126] Equity shares of HUF 10,000 each, fully paid-up in Cseber	0	0
(v)	1,000 [March 2020: 1,000] Equity shares of PLN 103.02 each, fully paid-up in Elevator Sieradz	0	0
(vi)	1,000 [March 2020: 1000] Equity shares, fully paid-up in Rogatory letter (A)	7	8
(vii)	Fully paid up equity shares of Meiji Lukang Pharmaceutical Co., Ltd	10	7
(viii)	35,50,716 fully paid and non-assessable shares of Series B-1 Preferred Stock, par value $ 0.0001 of Telesense INC.	22	-
(ix)	Investment in Tenacious Ventures Fund I, LP (Partnership)	2	-
(x)	Investment in Yield Lab Global Opportunity Fund, L.P.	2	-
Investments stated at Fair Value through Profit and Loss			
(A)	**Investments in Optionally Convertible Bonds (Unquoted)**		
	2,060 [March 2020: 2,060] Optionally Convertible Bonds of ₹1,00,000 each in Tatva Global Environment Private Limited	-	26
	725,000 [March 2020: 725,000] Optionally Convertible Bonds All Fresh Supply Management Private Limited	9	7
	Equity shares in Amira Nature foods Limited	-	38

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

5. INVESTMENTS (CONTD.)

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(B)	**Investment in Equity Instruments (Unquoted)**		
(i)	240,000 [March 2020: 240,000] Equity shares of ₹ 10 each fully paid-up in UPL Investment Private Limited	2	2
(ii)	57 [March 2020: 57] Ordinary Shares of 1 Rand each fully paid-up in Cropserve [PTY] Limited	0	0
(iii)	3,757,570 [March 2020: 3,757,570] Equity Shares of ₹10 each fully paid-up in Narmada Clean Tech Limited	7	7
(iv)	10,000 [March 2020: 10,000] Equity Shares of ₹10 each fully paid—up in Janakalyan Sahakari Bank Limited	0	0
(v)	1,000,000 [March 2020: 1,000,000] Equity Shares of ₹10 each fully paid-up in Uniphos International Limited	5	4
(vi)	45,000 [March 2020: 45,000] Equity Shares of ₹10 each fully paid-up in Bloom Packaging Private Limited	1	**1**
(vii)	19,025 [March 2020: 19,025] Equity Shares of ₹10 each fully paid-up in Bench Bio Private Limited	1	1
(viii)	3,687 [March 2020: 3,687] equity shares of ₹ 10 each fully paid-up in All Fresh Supply Management Private Limited	2	2
(ix)	100 [March 2020: 100] Equity Shares of Natural Art KK	-	-
(C)	**Investment in Others**		
	415 [March 2020: 415] Optionally convertible Debentures of ₹ 50,000 each of Bloom Packaging Pvt. Ltd.	2	2
	Investments in Others (Unquoted)	5	7
	Total Other Non-Current Investments	**201**	**198**
	Total Non-Current Investments	**581**	**558**

₹ in crore

Current	As at March 31, 2021	As at March 31, 2020
Investments stated at Fair Value through Profit and Loss		
Investments in Others (Unquoted)		
Equity shares in Amira Nature foods Limited	37	**0**
Total Current Investments	**37**	**0**
Total Investments	**618**	**558**
Aggregate amount and market value quoted investments	116	77
Aggregate amount of unquoted investments	502	481
Aggregate amount of impairment in value of investments		
Investments carried at Fair Value through Other Comprehensive Income	166	101
Investments carried at Fair Value through Profit or Loss	34	97
Other Investments	418	360

Investments at fair value through Profit and loss (fully paid) reflect investment in debt instruments. Refer Note 45 for determination of their fair values.

Investments at fair value through OCI (fully paid) reflect investment in quoted equity securities. Refer Note 45 for determination of their fair values.

Note:

a) Share of losses has been restricted to the carrying value of the investment

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

6. LOANS

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A) Security Deposits				
a) Unsecured, Considered good	96	89	43	26
b) Unsecured, credit impaired	2	2		
Less: Impairment Allowance for credit impaired security deposit	(2)	(2)		
	96	**89**	**43**	**26**
(B) Loans and Advances to related parties (Refer Note 39)				
a) Unsecured, Considered good	85	68	0	0
	85	**68**	**0**	**0**
(C) Loans to employees				
a) Unsecured, Considered good	-	-	3	5
	-	**-**	**3**	**5**
(D) Sundry loans				
a) Unsecured, Considered good	**-**	**-**	**9**	**10**
b) Unsecured, credit impaired	**2**	**2**	**-**	**-**
Less: Impairment Allowance for credit impaired Sundry loans	**(2)**	**(2)**	**-**	**-**
	-	**-**	**9**	**10**
Total loans	**181**	**157**	**55**	**40**

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	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A) Interest receivable				
a. Unsecured, Considered good	-	-	33	11
	-	**-**	**33**	**11**
(B) Derivative instruments at fair value through profit or loss				
a. Derivative contracts (net)	-	79	233	499
	-	**79**	**233**	**499**
(C) Export benefits receivable				
Unsecured, considered good	33	35	159	226
	33	**35**	**159**	**226**
(D) Others				
a. Unsecured, Considered good	4	9	31	65
b. Unsecured, credit impaired	2	2	-	-
Less: Impairment Allowance for credit impaired OtherFinancial Assets	(2)	(2)	-	-
	4	**9**	**31**	**65**
Total Other Financial Assets	**37**	**123**	**456**	**801**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

8 (A) OTHER ASSETS

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) Capital advance	47	104	-	-
(ii) Statutory receivables	421	362	1,476	1,274
(iii) Other advances	-	10	759	519
Total other assets	**468**	**476**	**2,235**	**1,793**

8 (B) ASSETS HELD FOR SALE

Assets held for sale represents assets amounted to ₹ 55 crore (March 2020: ₹ 51 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 value less cost of disposal and are planned to be disposed of to settle customers recoverable amount.

9. INVENTORIES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
a) Raw materials and components	2,634	1,969
b) Work-in-progress	501	503
c) Finished goods	4,751	4,102
d) Traded goods	1,153	958
e) Store and spares [including fuel]	132	115
f) Packing material	242	195
g) By products	9	8
Total Inventories	**9,422**	**7,850**

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 ₹ 26 crore (March 31, 2020: ₹ 22 crore).

10. TRADE RECEIVABLES

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good				
- From related parties	-	-	296	240
- From others	435	190	12,295	11,627
Unsecured, Considered doubtful				
- From others	-	-	957	1,078
Less: Allowance for doubtful Trade receivables	-	-	(957)	(1,078)
Total Trade receivables	**435**	**190**	**12,591**	**11,867**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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, 2021	As at March 31, 2020
Opening balance	(1,078)	(1,196)
On account of Arysta Group acquisition	-	-
Foreign exchange movement	45	70
Provision for the year	75	(2)
Write-off	(155)	51
Total of Reversal and Write-off	(80)	49
Less: Bad debts netted off with receivables	155	-
Closing balance	**(957)**	**(1,078)**

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. The Group applies the practical expedient for receivables with credit period of upto one year i.e. the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.
- For explanations on Group's Credit risk management process. (Refer Note 46)

The Group has entered into an agreement to sell and assign its certain trade 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, 2021, the Group sold receivables which have been derecognised of ₹ 7,623 crore (₹ 7,023 crore at March 31, 2020).

The Group has also sold with recourse its certain trade receivables to a bank for cash proceeds. These trade receivables have not been derecognised from the statement of financial position, because the Group retains substantially all of the risks and rewards - primarily credit risk. The amount received on transfer has been recognised as Discounted trade receivables (Unsecured)(see Note 15). The arrangement with the bank is such that the customers remit cash directly to the Group and the Group transfers the collected amounts to the bank.

For terms and conditions of related party transactions refer Note 39.

11. CASH AND CASH EQUIVALENTS

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- Current accounts	364	183
- Foreign currency accounts	0	37
- Current accounts outside India	3,416	5,619
Fixed deposit accounts		
- Deposits with original Maturity of less than 3 months	978	866
Cheques/drafts on hand	33	13
Cash on hand	6	6
	4,797	**6,724**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

11A. OTHER BANK BALANCES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
- Deposits with original maturity for more than 3 months but less than 12 months	2	3
- Margin money deposit **	44	16
- Unclaimed dividend accounts	10	9
	56	**28**

*** Margin money deposits given as security against bank guarantees.*

12. SHARE CAPITAL

Authorised Share Capital

	Preference Shares of ₹ 100 each	
	No.	₹ in crore
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**
Increase/(decrease) during the year	-	-
At March 31, 2021	**1,23,75,00,000**	**248**

Issued equity capital

Equity shares of ₹ 2 each issued, subscribed and fully paid-up

	No.	₹ in crore
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**
Increase during the year		
ESOP Allotments	-	-
Issue of Bonus shares	-	-
At March 31, 2021	**76,40,45,456**	**153**

Terms/rights attached to equity shares

The Company has only 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, 2021, the amount of per share dividend proposed as distributions to equity shareholders is ₹ 10 (March 2020: ₹ 6)

Equity shares allotted as bonus shares, for consideration without cash pursuant to contract and shares bought back during the 5 years preceding March 31, 2021

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.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

12. SHARE CAPITAL (CONTD.)

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

Name of the shareholder

Equity shares of ₹ 2 each fully paid	As at March 31, 2021		As at March 31, 2020	
	No. in crore	% holding in the class	No. in crore	% holding in the class
Nerka Chemicals Private Limited	15	20.10%	15	20.10%
Uniphos Enterprises Limited	4	5.11%	4	5.05%
Life Insurance Corporation of India	6	8.41%	5	5.98%

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.

As on March 31, 2021, there were 63,181,408 outstanding GDRs (March 31, 2020: 63,439,593) under two different programmes are listed on Singapore Stock Exchange Ltd. During the year, the Company has terminated 2,58,180 (0.03379%) unlisted GDRs out of 2,83,680 (0.03713%) unlisted GDRs representing equal number of equity shares effective from May 14, 2020. 25,500 GDRs are unlisted in Luxembourg and under termination process.

12A. PERPETUAL SUBORDINATED CAPITAL SECURITIES

5.25% Perpetual Subordinated Capital Securities

	₹ in crore
At March 31, 2019	**-**
Issued during the year	3,027
Expenses incurred	(40)
At March 31, 2020	**2,986**
Issued during the year	-
At March 31, 2021	**2,986**

During the year 2019 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 subsidiary company and the subsidiary company does not have any redemption obligation, these are considered to be in the nature of equity instruments. The stated coupon on these is payable at the discretion of the issuer.

13. OTHER EQUITY

i) Securities Premium

	₹ in crore
At March 31, 2019	**4,607**
Utilised for issue of bonus shares	(13)
At March 31, 2020	**4,594**
Additions/decrease during the year	-
At March 31, 2021	**4,594**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

13. OTHER EQUITY (CONTD.)

ii) Retained Earnings

	₹ in crore
At March 31, 2019	**12,350**
Less: Uncertainty over Income Tax Treatment	(38)
Add: Profit for the year	1,776
Less: Remeasurement gains/(losses) of defined benefit plans	(6)
Less: Dividend on equity shares paid during the year	(328)
Less: Transfer to debenture redemption reserve, capital redemption reserve and share based payments reserve	-
Add: Gain on reduction in NCI due to merger of two subsidiaries	316
At March 31, 2020	**14,070**
Less: Uncertainty over Income Tax Treatment	-
Add: Profit for the year	2,871
Add: Transfer from debenture redemption reserve	-
Less: Remeasurement gains/(losses) of defined benefit plans	(10)
Less: Dividend on equity shares paid during the year	(458)
Less: Payment of coupon on Perpetual Subordinated Capital securities	(90)
Gain on acquisition of additional stake from NCI	(22)
At March 31, 2021	**16,361**

iii) Other Reserves

Capital Redemption Reserve

	₹ in crore
At March 31, 2019	**45**
Changes during the year	(38)
At March 31, 2020	**6**
Changes during the year	-
At March 31, 2021	**6**

Capital Reserve

	₹ in crore
At March 31, 2019	**177**
Changes during the year	14
At March 31, 2020	**190**
Changes during the year	(13)
At March 31, 2021	**177**

Debenture Redemption Reserve

	₹ in crore
At March 31, 2019	**140**
Add: Amount transferred from retained earnings	-
At March 31, 2020	**140**
Add: Amount transferred from retained earnings	-
At March 31, 2021	**140**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

13. OTHER EQUITY (CONTD.)

General reserve

	₹ in crore
At March 31, 2019	**1,848**
Changes during the year	-
At March 31, 2020	**1,848**
Changes during the year	-
At March 31, 2021	**1,848**

Share based payment reserve

	₹ in crore
At March 31, 2019	**0**
Changes during the year	0
At March 31, 2020	**0**
Changes during the year	-
At March 31, 20201	**0**

Non-controlling interest reserve

	₹ in crore
At March 31, 2019	**(3,693)**
Changes during the year	-
At March 31, 2020	**(3,693)**
Changes during the year	-
At March 31, 2021	**(3,693)**

Cashflow hedge reserve for OCI

	₹ in crore
At March 31, 2019	**(62)**
Changes during the year	(116)
At March 31, 2020	**(178)**
Changes during the year	66
At March 31, 2021	**(112)**

Equity Instruments through other comprehensive income

	₹ in crore
At March 31, 2019	**(104)**
Changes during the year	(79)
At March 31, 2020	**(183)**
Changes during the year	36
At March 31, 2021	**(147)**

Foreign currency translation reserve

	₹ in crore
At March 31, 2019	**(693)**
Changes during the year	41
At March 31, 2020	**(652)**
Changes during the year	(775)
At March 31, 2021	**(1,427)**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

13. OTHER EQUITY (CONTD.)

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.

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 Group 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 Group 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 Group 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 Group 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.

14. DISTRIBUTION MADE AND PROPOSED

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Cash dividends on Equity shares declared and paid:		
Final dividend for the year ended March 31, 2020: ₹ 6 per share (March 31, 2019: ₹ 8 per share)	458	407
	458	**407**
Proposed dividends on Equity shares:		
Final dividend for the year ended March 31, 2021: ₹ 10 per share (March 31, 2020: ₹ 6 per share)	764	458
	764	**458**

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

14A.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 36.

15. BORROWINGS

Non-current Borrowings

₹ in crore

Particulars	Effective interest rate %	Maturity	As at March 31, 2021	As at March 31, 2020
Debentures				
Redeemable non-convertible debentures (NCDs) (Unsecured) (Refer Note a below)	10.40% to 10.70%	2022-2026	384	458
			384	**458**
Bonds (Unsecured) (Refer Note b below)				
3.25% Senior Notes	3.25%	October 13, 2021	-	3,761
4.50% Senior Notes	4.50%	March 8, 2028	2,111	2,247
4.625% Senior Notes	4.63%	June 16, 2030	3,353	-
Term Loan				
From Bank				
Foreign currency loan (Unsecured)	LIBOR + 1.60%	January 29, 2024	12,666	20,880
Sustainability linked Foreign currency loan (Unsecured)	LIBOR + 1.30%	March 28, 2026	3,608	-
Foreign currency loan (Secured) (Refer Note c below)	4.33%	September 15, 2025	-	0
From others (Unsecured)	2.00%	January 1, 2023	19	18
Long-term maturities of finance lease Liabilities			5	7
			22,146	**27,371**
Current maturities of long term borrowings				
Debentures				
Redeemable non-convertible debentures (NCDs) (Unsecured) (Refer Note a below)			108	33
			108	**33**
Total non-current borrowings			**22,254**	**27,404**
Less: Amount clubbed under "other current financial liabilities" (Refer Note 16)			(108)	(33)
Net non-current borrowings			**22,146**	**27,371**
Aggregate secured loans (non-current)			-	0
Aggregate unsecured loans (non-current)			22,146	27,371
Current borrowings				
Loan from banks				
Secured (Refer Note c below)	6.25% to 10.50%	on demand	302	335
Unsecured:				
Working capital loan repayable on demand from banks:	0.20% -21.25%	on demand	687	713
Commercial paper (Refer Note d below)	3.85%	Within 90 days	150	-
			1,139	**1,048**
Discounted trade receivables (Unsecured)	5.00% - 9.90%	2021-22	275	250
			275	**250**
Total current borrowings			**1,414**	**1,298**
Aggregate secured loans (current)			302	335
Aggregate unsecured loans (current)			1,112	963

a) Unsecured redeemable non-convertible debentures (NCD's)

i) The current maturities of long term borrowings include ₹32 crore (March 31, 2020: ₹ 33 crore) pertaining to interest accrued but not due on account of recognition of debentures at amortised cost as per EIR method.

Notes to Consolidated Financial Statements

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15. BORROWINGS (CONTD.)

ii) NCDs of face value amounting to ₹ 150 crore (March 31, 2020: ₹ 150 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, 2020: ₹ 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, 2020: ₹ 150 crore) have been issued under three series. These redeemable at par ₹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)

All Bonds are listed on Singapore Stock exchange and are recorded at amortised cost.

Bonds of USD 500 million 3.25% Senior Notes due 2021 were prepaid during the year as per agreed terms and conditions before its maturity, current balance USD Nil (March 31, 2020: ₹ 3,761 crore).

Bonds of USD 300 million 4.50% Senior Notes due 2028 with carrying value of ₹ 2,110 crore (March 31, 2020: ₹ 2,247 crore) are recorded at net of amortised cost bearing an interest rate of 4.50%, repayable on 8 March 2028. The Group has bought back principal value of ₹ 65 crore approximately (USD 8.851 million) during the year ended March 31, 2021. The amounts indicated above are net of the principal value of the bonds repurchased.

UPL Corporation Ltd. issued unsecured senior notes due 2030 with the aggregate principal amount of USD 500 million on June 16, 2020. The coupon rate on these notes is 4.625 per cent p.a. The Group has bought back principal value of ₹ 245 crore approximately (USD 33.56 million) during the year ended March 31, 2021. The amounts indicated above are net of the principal value of the bonds repurchased.

c) 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 Group both present and future, wherever situated.

d) Commercial Paper

Commercial paper outstanding for the current year is ₹ 150 crore (March 31, 2020: Nil).

16. OTHER FINANCIAL LIABILITIES

₹ in crore

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial liabilities at fair value through profit or loss/ other comprehensive income				
Derivative contracts (net)	581	-	120	-
Payable towards acquisition of subsidiary	180	-	-	-
Other financial liabilities carried at amortised cost				
Current maturities of long term borrowings (Refer Note 15)	-	-	108	33
Payable towards acquisition of subsidiary	26	42	7	2
Creditors for capital goods	-	-	123	178
Interest accrued and not due on borrowings	-	-	105	110
Unpaid dividend	-	-	9	8
Trade deposits	-	-	72	68
Current maturities of long term finance lease	-	-	2	2
Accured Payable	-	-	486	375
Employee benefits payables	-	-	490	542
Others	11	3	313	337
Total other financial liabilities	**798**	**45**	**1,835**	**1,654**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

17. PROVISIONS
Long-term provisions

₹ in crore

	Jubilee	Environmental	Labour claim	Total
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**
Arising during the year	-	12	9	22
Utilised	(1)	(3)	(1)	(4)
Foreign currency translation effect	-	(1)	0	(1)
At March 31, 2021	**-**	**20**	**18**	**38**

Short-term provisions

₹ in crore

	Leave benefits	Claims	Reorganisation	Contingencies acquired in a business combination	Provision Gratuity	Provision-Defined Benefits	Total
At March 31, 2019	**167**	**15**	**35**	**468**	**87**	**139**	**912**
Arising during the year	45	261	7	-	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**	**272**	**12**	**512**	**45**	**114**	**1,110**
Arising during the year	28	4	-	-	26	51	110
Utilised	(24)	(275)	(12)	-	(7)	(31)	(350)
Foreign currency translation effect	1	7	0	(17)	(1)	3	(6)
At March 31, 2021	**160**	**9**	**0**	**495**	**63**	**138**	**865**

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.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

17. PROVISIONS (CONTD.)

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:
The provision for litigation comprises litigations in which the Group is involved in the various countries of the Group. It includes litigation filed by AgroFresh Inc., a US based company against a subsidiary of the Group for among others: misappropriation of trade secrets, infringement of patents, loss of profits and unjust enrichment.

18. INCOME TAXES
The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Consolidated statement of profit or loss:

₹ in crore

Profit or loss section	March 31, 2021	March 31, 2020
Current income tax:		
Current income tax charge	936	759
Adjustments of tax relating to earlier years	(105)	8
Deferred tax:		
Relating to origination and reversal of temporary differences	(145)	(181)
Income tax expense reported in the statement of profit or loss	**686**	**586**

OCI section
Deferred tax related to items recognised in OCI during the year:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Gain on FVTOCI financial assets and net gain/loss on remeasurement of defined benefit plans.	(5)	9
Income tax charged to OCI	**(5)**	**9**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

18. INCOME TAXES (CONTD.)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

₹ in crore

	March 31, 2021	March 31, 2020
Accounting profit before tax	4,181	2,764
Accounting profit before income tax	**4,181**	**2,764**
At India's statutory income tax rate of 34.994% (March 31, 2020: 34.994%)	1,461	966
Profit taxable at higher/lower/nil tax rates in certain jurisdictions	(211)	(672)
Additional deduction on expenditure on research and development	2	(18)
Adjustment of tax relating to previous years	(86)	7
Other tax credits and allowances	(194)	(66)
Income exempt for tax purpose	(1,864)	(422)
Impact of change in tax rates	3	(1)
Utilisation of previously unrecognised tax losses	6	(8)
Share of results of associates and joint ventures	-	(17)
Other non-deductible expenses	1,008	662
Unrecognised deferred tax asset on carry forward losses	469	143
Others	91	12
At the effective income tax rate of 21.20% (March 31, 2020: 11.19%)	**686**	**586**
Income tax expense reported in the statement of profit or loss	686	586
	16.41%	**21.20%**

Deferred tax

Deferred tax relates to the following:

₹ in crore

	Balance Sheet		Statement of profit and loss	
	As at March 31, 2021	As at March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Differences in carrying values of property, plant & equipment.	(442)	(387)	(55)	(52)
Fair value of derivatives	(24)	(4)	(20)	6
Unrealised profits on intercompany transactions	429	370	59	391
Financial assets impairment - expected credit loss	200	241	(41)	(24)
Carry forward of tax losses and unabsorbed depreciation	268	232	36	123
Leave encashment	47	34	13	6
Minimum alternative tax credit	(5)	35	(40)	(46)
Defined benefits obligation - Gratuity	25	15	10	(12)
Provisions and others	315	518	(203)	188
Adjustment to PV of Assets/Liabilities	(38)	(2)	(36)	5
Unrealised gain on securities	(0)	-	(0)	8
Exchange impact	243	276	(14)	-
Amortisation of Goodwill	(0)	(27)	27	25
Deferred tax recognised on fair valued assets and liabilities on PPA accounting for Arysta Group acquisition -	(1,930)	(2,317)	387	(343)
Tax benefits	(73)	30	(103)	(9)
Others	7	(53)	60	(32)
Ind AS 116 - Lease liabilities	3	(15)	18	(15)
Valuation Allowance	(17)	(38)	21	(38)
Uncertainty over Income Tax Treatment	-	(38)	38	-
Deferred Tax on OCI	(5)	6	(12)	-
Deferred tax expense/(income)			**145**	**181**
Net deferred tax assets/(liabilities)	**(996)**	**(1,122)**		

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

18. INCOME TAXES (CONTD.)

Reflected in the balance sheet as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	1,666	1,655
Deferred tax liabilities	(2,662)	(2,777)
Deferred tax Assets (net)	**(996)**	**(1,122)**

Reconciliation of deferred tax assets (net):

₹ in crore

	March 31, 2021	March 31, 2020
Opening balance as of April 1	**(1,122)**	**(1,465)**
Tax income/(expense) during the period recognised in profit or loss	145	181
Tax income/(expense) during the period recognised in OCI	(11)	7
Exchange impact	(33)	211
Deferred tax recognised on uncertain tax provision	38	(38)
Deferred tax acquired in business combinations	(12)	(18)
Closing balance as at March 31	**(996)**	**(1,122)**

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 ₹ 4,183 crore (March 31, 2020: ₹ 3,778 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 ₹ 469 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.

Deferred tax liability has not been recognised for the temporary differences associated with investments in subsidiaries, associate and joint venture.

19. TRADE PAYABLES

₹ in crore

	Current	
	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	87	64
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	12,438	10,169
Total Trade Payables	**12,525**	**10,233**

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, 2021

20. OTHER CURRENT LIABILITIES

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Advances against orders	1,574	1,419
Statutory liabilities	735	491
Total other current liabilities	**2,309**	**1,910**

21. REVENUE FROM OPERATIONS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products	38,360	35,448
Sale of services		
Job-Work/Service income	58	30
Other operating revenues		
Export incentives	66	144
Refund of statutory receivables	18	11
Royalty income	8	2
Excess provisions in respect of earlier years written back (net)	38	8
Miscellaneous receipts	146	112
Total Revenue from operation	**38,694**	**35,756**

Disaggregation of revenue from contracts with customers

a) The management determines that the segment information reported under Note 40 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 Group's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270 days.

c) Contract balances.

₹ in crore

	March 31, 2021	March 31, 2020
Trade receivables (Refer Note 10)	13,026	12,057
Advance against orders (Refer Note 20)	1,574	1,419

d) Reconciliation of revenue from contract with customers with contracted price

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Revenue from contract with customer as per the contract price	45,250	41,635
Adjustments made to contract price on account of:-		
a) Discounts/Rebates/Incentives (Refer Note below)	4,643	4,295
b) Sales Returns (Refer Note below)	2,246	1,892
Revenue from contract with customer	**38,360**	**35,448**
Sale of services	58	30
Other operating revenue	276	278
Revenue from operations	**38,694**	**35,756**

Discounts/Rebates/Incentives
The Group issues multiple discount schemes to its customers in order to capture market share. The Group makes a provision for the discount it expects to give to its customers based on the terms of the scheme as at March 31, 2021. 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.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

22. OTHER INCOME

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on		
Loans and others	193	87
Unwinding of interest on trade receivable	22	(3)
Other non-operating income		
Profit on sale of current and non-current investments (net)	-	6
Rent received	2	3
Profit on sale of property, plant and equipment (net)	8	3
Miscellaneous income	33	8
Total	**258**	**104**

23. EMPLOYEE BENEFITS EXPENSE

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	3,452	3,093
Contribution to provident and other funds (Refer Note 35)	33	31
Gratuity and other retirement benefits (Refer Note 35)	37	99
Staff welfare expenses	190	168
	3,712	**3,391**

24. FINANCE COSTS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Interest:		
- On Debentures	49	56
- On Term Loans	860	898
- On Cash Credit and Working Capital Demand Loan Accounts	163	173
- On Fixed Deposits and Fixed Loans	8	11
- On Others	174	218
Exchange difference (net)	116	(88)
Finance cost relating to financing element on amounts of trade payables	256	136
(Gain)/loss on derivatives Instruments	42	(71)
Other financial charges	341	103
Interest on lease Liabilities	51	45
Total	**2,060**	**1,481**

25. DEPRECIATION AND AMORTISATION EXPENSE

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	844	738
Amortisation of intangible assets	1,097	1,084
Depreciation charge on the right-of-use asset	232	190
Total	**2,173**	**2,012**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

26. OTHER EXPENSE

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	581	464
Transport charges	1,290	981
Sub-contracting expenses	1,440	1,068
Travelling and conveyance	240	447
Advertising and sales promotion	476	540
Legal and professional fees	488	502
Sales commission	139	149
Rent	89	111
Labour charges	264	206
Repairs and maintenance		
Plant and machinery	108	119
Buildings	25	27
Others	156	170
Effluent disposal charges	197	161
Consumption of stores and spares	203	146
Rates and taxes	185	163
Warehousing costs	215	198
Insurance	186	155
Registration charges	121	131
Communication costs	69	70
Royalty charges	134	120
Charity and Donations [(includes ₹ Nil crore (March 31, 2020: ₹ 40 crore) paid for political purpose)]	116	80
Assets written off	6	19
Sundry credit balances written off (net)	(1)	4
Research and development expenses	91	7
Other expenses	429	430
Total	**7,247**	**6,470**

27. EXCEPTIONAL ITEMS

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Acquisition cost (Refer Note a below)	-	64
Restructuring cost (Refer Note b below)	316	209
Litigation cost charge/(writeback) (Refer Note c below)	(93)	350
Loss due to fire (Refer Note d below)	15	-
Total	**238**	**623**

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) The Group has decided to stop production at its Netherlands plant which is one of the oldest manufacturing unit and requires significant repairs and maintenance year on year and the exceptional items during the year includes restructuring and severance cost provisions of ₹ 260 crore for shut down of this plant.

c) Other exceptional cost includes certain litigation expenses which were incurred in certain regions. During the period ended March 31, 2021, the Group (reversed provision)/incurred amounting to a net sum of ₹ (93) crore (2020: ₹ 350 crore) towards legal expenses for pursuing legal actions against companies and individuals alleged to be counterfeiting its products and agricultural pesticide's financial fines. A competitor had filed a litigation against a subsidiary of the Group and the Company for misappropriation of trade secrets, tortious interference, infringement of patent, loss of profits and unjust enrichment. On October 11, 2019 a jury in the federal district court rendered a verdict against the subsidiary for an aggregate amount of approximately

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

27. EXCEPTIONAL ITEMS (CONTD.)

₹ 233 crore. While the Group sought to remedy the adverse decision of the jury through the post-trial motions, this amount was provided for in the previous year as an exceptional item in the statement of profit and loss. The Group received a final court order reducing the damages from approximately ₹ 233 crore to approximately ₹ 95 crore plus interest. Accordingly, an amount of approximately ₹ 117 crore was written back to exceptional item in the statement of profit and loss. In March 2021 the Company has reached a settlement with the competitor whereby this and all other pending litigation between them were settled without any additional compensation to either parties.

d) On February 23, 2021 there was a fire at Unit-5, Jhagadia in Gujarat, India. In this incident certain property, plant and equipment, inventory and other assets were damaged. The Group lodged an initial estimate of loss with the insurance companies and the survey is currently ongoing. During the year ended March 31, 2021, the Group has written off net book value of assets damaged and employee compensation aggregating ₹ 194 crore and recognised, basis valid insurance contracts with respect to the said loss, a minimum insurance claim receivable of ₹ 179 crore. During the year the Group has received an interim relief by way of on account payments from the insurance companies towards assets and inventories aggregating of ₹ 31 crore and the same has been adjusted against the claims receivable.

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, 2021	Cash flow hedge reserve	Attributable to the owners of the parent			Attributable to non controlling interest	Total
		Equity Instruments through other comprehensive income	Foreign currency translation reserve	Retained earnings		
Foreign exchange translation differences	-	-	(775)	-	(296)	(1,071)
Mark-to-market gain/loss on cash flow hedges	66	-	-	-	19	85
Gain/(loss) on FVTOCI financial assets	-	36	-	-	10	46
Re-measurement gains/(losses) on defined benefit plans	-	-	-	(10)	-	(10)
Total	**66**	**36**	**(775)**	**(10)**	**(267)**	**(950)**

₹ 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
		Equity Instruments through other comprehensive income	Foreign currency translation reserve	Retained earnings		
Foreign exchange translation differences	-	-	41	-	(41)	(0)
Mark-to-market gain/loss on cash flow hedges	(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)**

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 group'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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

28. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI), NET OF TAX (CONTD.)

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).

Mark-to-market gain/loss on cash flow hedges

The Group 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 Group 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.

29. EARNINGS PER SHARE (EPS)

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Profit for the year	**2,871**	**1,776**
Less: Payment of coupon on Perpetual Subordinated Capital Securities	(90)	-
Profit attributable to equity holders of the parent	**2,781**	**1,776**
Weighted average number of Equity shares for basic EPS*	76,40,45,456	76,40,29,270
Effect of dilution:		
Employee stock options	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	**76,40,45,456**	**76,40,29,270**
Earnings per Equity share (in ₹)		
Basic	**36.40**	**23.24**
Diluted	**36.40**	**23.24**

** 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 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' 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		% equity interest March 31, 2021	% equity interest March 31, 2020
1	UPL Global Business Services Limited (FKA 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	UPL Sustainable Agri Solutions Limited (FKA Optima Farm Solutions Ltd)	Crop protection	India		100%	100%
6	UPL Europe Limited	Crop protection	United Kingdom		78%	78%
7	United Phosphorus Polska Sp.z o.o - Poland	Crop protection	Poland		78%	78%
8	UPL Benelux B.V.	Crop protection	Netherlands		78%	78%
9	Cerexagri B.V.	Crop protection	Netherlands		78%	78%

Notes to Consolidated Financial Statements

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31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest March 31, 2021	% equity interest March 31, 2020
10	UPL Holdings Cooperatief U.A (FKA United Phosphorus Holdings Cooperatief U.A.)	Crop protection	Netherlands		78%	78%
11	UPL Holdings BV (FKA United Phosphorus Holdings B.V., Netherlands)	Crop protection	Netherlands		78%	78%
12	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Crop protection	Netherlands		78%	78%
13	Decco Worldwide Post-Harvest Holdings B.V.	Crop protection	Netherlands		78%	78%
14	UPL Holdings Brazil B.V. (FKA United Phosphorus Holding, Brazil B.V.)	Crop protection	Netherlands		78%	78%
15	UPL Italia S.R.L.	Crop protection	Italy		78%	78%
16	UPL Iberia, S.A.	Crop protection	Spain		78%	78%
17	Decco Iberica Postcosecha, S.A.U.	Crop protection	Spain		78%	78%
18	Transterra Invest, S. L. U.	Crop protection	Spain		78%	78%
19	Cerexagri S.A.S.	Crop protection	France		78%	78%
20	Neo-Fog S.A.	Crop protection	France	$$2	78%	78%
21	UPL France	Crop protection	France		78%	78%
22	United Phosphorus Switzerland Limited	Crop protection	Switzerland		78%	78%
23	Agrodan, ApS	Crop protection	Denmark	$	0%	78%
24	Decco Italia SRL	Crop protection	Italy		78%	78%
25	Limited Liability Company "UPL"	Crop protection	Russia		78%	78%
26	Decco Portugal Post Harvest LDA (formerly known as UPL Portugal Unipessoal LDA)	Crop protection	Portugal		78%	78%
27	UPL NA Inc. (formerly known as United Phosphorus Inc.)	Crop protection	USA		78%	78%
28	UPI Finance LLC	Crop protection	USA	$	0%	78%
29	Cerexagri, Inc. (PA)	Crop protection	USA		78%	78%
30	UPL Delaware, Inc.	Crop protection	USA		78%	78%
31	Canegrass LLC	Crop protection	USA	$	0%	54%
32	Decco US Post-Harvest Inc	Crop protection	USA		78%	78%
33	RiceCo LLC	Crop protection	USA		78%	78%
34	Riceco International, Inc.	Crop protection	Bahamas		78%	78%
35	UPL Corporation Limited	Crop protection	Mauritius		78%	78%
36	UPL Management DMCC	Crop protection	United Arab Emirates		78%	78%
37	UPL Limited	Crop protection	Gibraltar		78%	78%
38	UPL Agro S.A. de C.V.	Crop protection	Mexico		78%	78%
39	Decco PostHarvest Mexico (Formerly Known as Decco Jifkins Mexico Sapi)	Crop protection	Mexico		78%	78%
40	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Crop protection	Brazil		78%	78%
41	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Crop protection	Brazil		75%	74%
42	UPL Costa Rica S.A.	Crop protection	Costa Rica		78%	78%
43	UPL Bolivia S.R.L	Crop protection	Bolivia		78%	78%
44	UPL Paraguay S.A.	Crop protection	Paraguay		78%	78%
45	Icona Sanluis S.A.	Crop protection	Argentina		78%	78%
46	UPL Argentina S A	Crop protection	Argentina		78%	78%
47	Decco Chile SpA	Crop protection	Chile		78%	78%
48	UPL Colombia SAS	Crop protection	Colombia		78%	78%
49	United Phosphorus Cayman Limited	Crop protection	Cayman Islands		78%	78%
50	UP Aviation Limited	Crop protection	Cayman Islands		78%	78%

Notes to Consolidated Financial Statements

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31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest	
					March 31, 2021	March 31, 2020
51	UPL Australia Limited	Crop protection	Australia		78%	78%
52	UPL New Zealand Limited	Crop protection	New Zealand	$$13	78%	78%
53	UPL Shanghai Limited	Crop protection	China		78%	78%
54	UPL Limited Korea Co.Ltd. (Formerly known as United Phosphorus (Korea) Limited)	Crop protection	Korea	$	0%	78%
55	PT.UPL Indonesia	Crop protection	Indonesia		78%	78%
56	PT Catur Agrodaya Mandiri	Crop protection	Indonesia		78%	78%
57	UPL Limited,Hong Kong(Formerly Known as United Phosphorus Limited, Hongkong)	Crop protection	Hong Kong		78%	78%
58	UPL Philippines Inc.	Crop protection	Philippines		78%	78%
59	UPL Vietnam Co. Limited	Crop protection	Vietnam		78%	78%
60	UPL Japan GK (Formerly Known as UPL Limited, Japan)	Crop protection	Japan		78%	78%
61	Anning Decco Fine Chemical Co. Limited	Crop protection	China		43%	43%
62	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Crop protection	Turkey		78%	78%
63	UPL Agromed Tohumculuk Sa,Turkey	Crop protection	Turkey		78%	78%
64	Safepack Products Limited	Crop protection	Israel		78%	78%
65	Citrashine (Pty) Ltd	Crop protection	South Africa		78%	78%
66	Prolong Limited	Crop protection	Israel		78%	78%
67	Perrey Participações S.A	Crop protection	Brazil		78%	78%
68	Agrinet Solutions Limited	Crop protection	India		50%	50%
69	Advanta Netherlands Holding B.V.	Seed Business	Netherlands		78%	78%
70	Advanta Semillas SAIC	Seed Business	Argentina		78%	78%
71	Advanta Holdings B.V.	Seed Business	Netherlands		78%	78%
72	Advanta Seeds International	Seed Business	Mauritius		78%	78%
73	Pacific Seeds Holdings (Thailand) Limited	Seed Business	Thailand		78%	78%
74	Pacific Seeds (Thai) Limited	Seed Business	Thailand		78%	78%
75	Advanta Seeds Pty. Ltd.	Seed Business	Australia		78%	78%
76	Advanta US LLC (formerly known as Advanta U.S. Inc.)	Seed Business	USA		78%	78%
77	Advanta Comercio De Sementes LTDA.	Seed Business	Brazil		78%	78%
78	PT Advanta Seeds Indonesia	Seed Business	Indonesia		78%	78%
79	Advanta Seeds DMCC	Seed Business	United Arab Emirates		78%	78%
80	Essentiv LCC	Crop protection	USA		39%	39%
81	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Crop protection	Mauritius		78%	78%
82	UPL Jiangsu Limited	Crop protection	China		54%	54%
83	Riceco International Bangladesh Ltd	Crop protection	Bangladesh		78%	78%
84	Uniphos Malaysia Sdn Bhd	Crop protection	Malaysia		78%	78%
85	Advanta Seeds Ukraine LLC	Seed Business	Ukraine		78%	78%
86	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.	Crop protection	Turkey		78%	78%
87	Arysta LifeScience Investments LLC	Crop protection	USA	$	0%	78%
88	Arysta LifeScience America Inc.	Crop protection	USA		78%	78%
89	ANESA S.A.	Crop protection	Belgium		78%	78%
90	Arysta LifeScience Management Company, LLC	Crop protection	USA		78%	78%
91	Arysta LifeScience SPC, LLC	Crop protection	USA	$	0%	78%
92	Arysta LifeScience India Limited	Crop protection	India		78%	78%
93	Arysta LifeScience Agriservice Private Limited	Crop protection	India		78%	78%

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for the year ended March 31, 2021

31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest	
					March 31, 2021	March 31, 2020
94	UPL Togo SAU	Crop protection	Togo		78%	78%
95	Arysta Agro Private Limited	Crop protection	India		78%	78%
96	GBM USA LLC	Crop protection	USA		78%	78%
97	UPL Agrosolutions Canada Inc (Formerly Known as Arysta LifeScience Canada, Inc.)	Crop protection	Canada		78%	78%
98	Arysta LifeScience Canada BC Inc.	Crop protection	Canada	$$5	78%	78%
99	Arysta LifeScience North America, LLC	Crop protection	USA		78%	78%
100	Arysta LifeScience NA Holding LLC	Crop protection	USA		78%	78%
101	Arysta LifeScience Inc.	Crop protection	USA		78%	78%
102	Arysta LifeScience Services LLP	Crop protection	India		78%	78%
103	Arysta LifeScience Benelux SPRL	Crop protection	Belgium		78%	78%
104	Arysta LifeScience (Mauritius) Ltd	Crop protection	Mauritius		78%	78%
105	UPL South Africa (Pty) Ltd. (Formerly Known as Arysta LifeScience South Africa (Pty) Ltd)	Crop protection	South Africa		78%	78%
106	Arysta Health and Nutrition Sciences Corporation	Health Nutrition Solution	Japan		78%	78%
107	Arysta LifeScience Corporation	Crop protection	Japan		78%	78%
108	Arysta LifeScience S.A.S.	Crop protection	France		78%	78%
109	Arysta LifeScience Chile S.A.	Crop protection	Chile		78%	78%
110	Arysta LifeScience Mexico, S.A.de C.V	Crop protection	Mexico		78%	78%
111	Grupo Bioquimico Mexicano, S.A. de C.V.	Crop protection	Mexico		78%	78%
112	UPL Agricultural Solutions Netherlands BV (Formerly Known as UPL Agricultural Solutions Netherlands Cooperatief UA -Formerly Known as MacDermid Agricultural Solutions Netherlands Cooperatief UA)	Crop protection	Netherlands	$$1	78%	78%
113	Arysta LifeScience UK & Ireland Ltd	Crop protection	U.K.		78%	78%
114	UPL Agricultural Solutions (Formerly Known as MacDermid Agricultural Solutions Italy Srl)	Crop protection	Italy		78%	78%
115	Platform Sales Suisse GmbH	Crop protection	Switzerland		78%	78%
116	UPL Agricultural Solutions Holdings BV (Formerly Known as MacDermid Agricultural Solutions Holdings BV)	Crop protection	Netherlands		78%	78%
117	Dutch Agricultural Investment Partners LLC	Crop protection	Netherlands	$	0%	78%
118	Netherlands Agricultural Investment Partners LLC	Crop protection	Netherlands		78%	78%
119	UPL Bulgaria EOOD (FKA Arysta LifeScience Bulgaria EOOD)	Crop protection	Bulgaria		78%	78%
120	UPL Agricultural Solutions Romania SRL (FKA Arysta LifeScience Romania SRL)	Crop protection	Romania		78%	78%
121	Arysta LifeScience Kiev LLC	Crop protection	Ukraine	$	0%	78%
122	Arysta LifeScience Great Britain Ltd	Crop protection	U.K.		78%	78%
123	Arysta LifeScience Technology BV	Crop protection	Netherlands	$$15	78%	78%
124	Arysta LifeScience Netherlands BV	Crop protection	Netherlands		78%	78%
125	Arysta LifeScience RUS LLC	Crop protection	Russia		78%	78%
126	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Crop protection	Turkey	$$14	78%	78%
127	Arysta LifeScience Australia Pty. Ltd.	Crop protection	Australia		78%	78%
128	Chemtura (Thailand) Ltd	Crop protection	Thailand	$	0%	78%
129	MacDermid (Shanghai) Chemical Ltd.	Crop protection	China	$	0%	78%
130	Arysta-LifeScience Ecuador S.A.	Crop protection	Ecuador		78%	78%

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest	
					March 31, 2021	March 31, 2020
131	Arysta LifeScience Ougrée Production Sprl	Crop protection	Belgium		78%	78%
132	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Crop protection	Greece		78%	78%
133	Naturagri Soluciones, SLU (Formerly known as Arysta LifeScience Iberia SLU)	Crop protection	Spain		78%	78%
134	Agriphar Poland Sp. Zoo	Crop protection	Poland	$	0%	78%
135	Arysta LifeScience Switzerland Sarl	Crop protection	Switzerland		78%	78%
136	Vetophama SAS (Formerly known as Arysta Animal Health SAS)	Animal Health	France		78%	78%
137	PPWJ Sci	Animal Health	France		78%	78%
138	Vetopharma Iberica SL (Formerly known as Santamix Iberica SL,Spain)	Animal Health	Spain		78%	78%
139	Arysta LifeScience Global Services Limited	Crop protection	Ireland		78%	78%
140	Arysta LifeScience European Investments Limited	Crop protection	U.K.		78%	78%
141	Arysta LifeScience U.K. Limited	Crop protection	U.K.		78%	78%
142	Arysta LifeScience U.K. CAD Limited	Crop protection	U.K.		78%	78%
143	Arysta LifeScience U.K. EUR Limited	Crop protection	U.K.		78%	78%
144	Arysta LifeScience U.K. JPY Limited	Crop protection	U.K.		78%	78%
145	Arysta LifeScience U.K. USD Limited	Crop protection	U.K.		78%	78%
146	Arysta Lifescience U.K. Holdings Limited	Crop protection	U.K.		78%	78%
147	Arysta LifeScience Japan Holdings Goudou Kaisha	Crop protection	Japan		78%	78%
148	Arysta LifeScience Cameroun SA	Crop protection	Cameroon		78%	78%
149	Callivoire SGFD S.A.	Crop protection	Cote D'Ivoire		78%	78%
150	UPL Egypt Ltd (FKA Arysta LifeScience Egypt Ltd)	Crop protection	Egypt		78%	78%
151	Calli Ghana Ltd.	Crop protection	Ghana		78%	78%
152	Arysta LifeScience Kenya Ltd.	Crop protection	Kenya		78%	78%
153	Mali Protection Des Cultures (M.P.C.) SA	Crop protection	Mali		66%	66%
154	Agrifocus Limitada	Crop protection	Mozambique		78%	78%
155	UPL Holdings SA (Pty) Ltd. (FKA Arysta LifeScience Holdings SA (Pty) Ltd)	Crop protection	South Africa		78%	78%
156	Anchorprops 39 (Pty) Ltd	Crop protection	South Africa		78%	78%
157	Callietha Investments (Pty) Ltd	Crop protection	South Africa		78%	78%
158	Sidewalk Trading (Pty) Ltd	Crop protection	South Africa		78%	78%
159	Volcano Agroscience (Pty) Ltd	Crop protection	South Africa		78%	78%
160	Volcano Chemicals (Pty) Ltd	Crop protection	South Africa		78%	78%
161	Arysta LifeScience Tanzania Ltd	Crop protection	Tanzania		78%	78%
162	Arysta LifeScience (Shanghai) Co., Ltd.	Crop protection	China		78%	78%
163	Pt. Arysta LifeScience Tirta Indonesia	Crop protection	Indonesia		39%	39%
164	UPL Limited Korea (FKA Arysta LifeScience Korea Ltd.)	Crop protection	Korea		78%	78%
165	Arysta LifeScience Pakistan (Pvt.) LTD.	Crop protection	Pakistan		78%	78%
166	Arysta LifeScience Philippines Inc.	Crop protection	Philippines		78%	78%
167	Arysta LifeScience Asia Pte., Ltd.	Crop protection	Singapore		78%	78%
168	Arysta LifeScience (Thailand) Co., Ltd.	Crop protection	Thailand		78%	78%
169	Arysta LifeScience Vietnam Co., Ltd.	Crop protection	Vietnam		78%	78%
170	Arysta LifeScience Holdings France SAS	Crop protection	France	$$4	78%	78%
171	Laboratoires Goëmar SAS	Crop protection	France		78%	78%
172	Natural Plant Protection S.A.S.	Crop protection	France	$$3	78%	78%
173	UPL Czech s.r.o. (FKA Arysta LifeScience Czech s.r.o.)	Crop protection	Czech Rpb		78%	78%

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31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest	
					March 31, 2021	March 31, 2020
174	UPL Deutschland GmbH, (formerly known as Arysta LifeScience Germany GmbH)	Crop protection	Germany		78%	78%
175	UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság. (FKA Arysta LifeScience Magyarorszag Kft.)	Crop protection	Hungary		78%	78%
176	UPL Polska Sp. z.o.o (formerly known as Arysta LifeScience Polska Sp. z.o.o)	Crop protection	Poland		78%	78%
177	Betel Reunion S.A.	Crop protection	Reunion(Fr)		51%	51%
178	Arysta LifeScience Vostok Ltd.	Crop protection	Russia		78%	78%
179	UPL Slovakia S.R.O (FKA Arysta LifeScience Slovakia S.R.O.)	Crop protection	Slovakia		78%	78%
180	UPL Ukraine LLC (FKA Arysta LifeScience Ukraine LLC)	Crop protection	Ukraine		78%	78%
181	Arysta LifeScience Global Limited	Crop protection	U.K.		78%	78%
182	Arysta LifeScience Argentina S.A.	Crop protection	Argentina	$$12	78%	78%
183	Arysta LifeScience Colombia S.A.S	Crop protection	Colombia		78%	78%
184	Arysta LifeScience CentroAmerica, S.A.	Crop protection	Guatemala		78%	78%
185	Arysta LifeScience Mexico Holding S.A.de C.V	Crop protection	Mexico	$$6	78%	78%
186	Bioenzymas S.A. de C.V.	Crop protection	Mexico	$$7	78%	78%
187	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Crop protection	Mexico		78%	78%
188	Omega Agroindustrial, S.A. de C.V.	Crop protection	Mexico		78%	78%
189	Agroquimicos y Semillas, S.A. de C.V.	Crop protection	Mexico	$$8	78%	78%
190	Servicios Agricolas Mundiales SA de CV	Crop protection	Mexico		78%	78%
191	Tecno Extractos Vegetales, S.A. de C.V.	Crop protection	Mexico	$$9	78%	78%
192	Tesaurus Mexico S.A. de C.V.	Crop protection	Mexico		78%	78%
193	Arysta LifeScience Paraguay S.R.L.	Crop protection	Paraguay		78%	78%
194	Arysta LifeScience Peru S.A.C	Crop protection	Peru		78%	78%
195	Arysta LifeScience Costa Rica SA.	Crop protection	Costa Rica		78%	78%
196	Arysta LifeScience de Guatemala, S.A.	Crop protection	Guatemala		78%	78%
197	Arysta LifeScience S.R.L.	Crop protection	Bolivia		52%	52%
198	Myanmar Arysta LifeScience Co., Ltd.	Crop protection	Myanmar		78%	78%
199	Arysta LifeScience U.K. BRL Limited	Crop protection	U.K.		78%	78%
200	UPL New Zealand Limited (FKA Etec Crop Solutions Limited)	Crop protection	New Zealand		78%	78%
201	MacDermid Agricultural Solutions Australia Pty. Ltd	Crop protection	Australia		78%	78%
202	Arvesta Corporation	Crop protection	USA		78%	78%
203	Arysta LifeScience Registrations Great Britain Ltd	Crop protection	U.K.		78%	78%
204	Agriphar SDN BHD	Crop protection	Malaysia	$	0%	78%
205	Industrias Agriphar SA	Crop protection	Guatemala		78%	78%
206	Agripraza Ltda.	Crop protection	Portugal		78%	78%
207	Arysta LifeScience Corporation Republica Dominicana, SRL	Crop protection	Dominican Rpb		78%	78%
208	Grupo Bioquimico Mexicano Republica Dominicana SA	Crop protection	Dominican Rpb		78%	78%
209	Arvesta Paraguay S.A.	Crop protection	Paraguay		78%	78%
210	Arysta Agroquimicos y Fertilzantes Uruguay SA	Crop protection	Uruguay		78%	78%
211	Arysta LifeScience U.K. USD-2 Limited	Crop protection	U.K.		78%	78%
212	Industrias Bioquim Centroamericana, Sociedad Anónima	Crop protection	Costa Rica	@1	78%	78%
213	Procultivos, Sociedad Anónim	Crop protection	Costa Rica	@1,$$10	78%	78%

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31. GROUP INFORMATION (CONTD.)

Sr. No.	Name	Principal activities	Country of incorporation/ Principal place of business		% equity interest March 31, 2021	March 31, 2020
214	Inversiones Lapislazuli Marino, Sociedad Anónima	Crop protection	Costa Rica	@1,$$11	78%	78%
215	Bioquim, Sociedad Anónima	Crop protection	Costa Rica	@1,$	0%	78%
216	Bioquim Panama, Sociedad Anónima	Crop protection	Panama	@1	78%	78%
217	UPL Nicaragua, Sociedad Anónima (FKA Bioquim Nicaragua, Sociedad Anónima)	Crop protection	Nicaragua	@1	78%	78%
218	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Crop protection	Domnic Republic	@1	78%	78%
219	Nutriquim De Guatemala, Sociedad Anónima	Crop protection	Guatemala	@1	78%	78%
220	UPL Agro Ltd	Crop protection	Hong Kong	@	78%	78%
221	UPL Portugal Unipessoal, Ltda.	Crop protection	Portugal	@	78%	78%
222	UPL Services LLC	Crop protection	USA	@	78%	78%
223	United Phosphorus Holdings U.K. Ltd	Crop protection	U.K.	@	78%	78%
224	Nurture Agtech Pvt. Ltd. (FKA AFS Agtech Pvt. Limited)	Crop protection	India	@	100%	100%
225	Natural Plant Protection Limited	Crop protection	India	@	93%	100%
226	Advanta Biotech General Trading Ltd.	Seed Business	UAE	#	78%	-
227	UPL Mauritius Limited	Crop protection	Mauritius	#	78%	-
228	Hannaford Nurture Farm Exchange Pty. Ltd	Crop protection	Australia	#	78%	-
229	UPL Zambia Ltd	Crop protection	Zambia	#	78%	-
230	INGEAGRO S.A	Crop protection	CHILE	#1	58%	-
231	Laoting Yoloo Bio-Technology Co. Ltd	Crop protection	China	#1	78%	-
232	Anhui Yoloo Hexie Plant Protection Co. Ltd.	Crop protection	China	#1,$	0%	-
233	Federation Of Agri-Value Chain, Manufacturers And Exporters (Viz FAME)	Crop protection	India	#	100%	-

 # 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.

During the year the following group reorganisations were effected:

$$1 - UPL Agricultural Solutions Netherlands BV was merged into UPL Agricultural Solutions Holdings B.V.

$$2 - Neo-Fog S.A. was merged into UPL France(formerly Known as AS pen SAS).

$$3 - Natural Plant Protection S.A.S was merged into Laboratoires Goëmar SAS.

$$4 - Arysta LifeScience Holdings France SAS was merged into Laboratoires Goëmar SAS.

$$5 - Arysta Canada BC Inc. was merged into UPL Agrosolution Canada DC.

$$6 - Arysta LifeScience Mexico Holding S.A.de C.V was merged into UPL Agro SA DE CV.

$$7 - Bioenzymas S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.

$$8 - Agroquimicos y Semillas, S.A. de C.V. was merged into Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.

$$9 - Tecno Extractos Vegetales, S.A. de C.V was merged into Grupo Bioquimico Mexicano, S.A. de C.V.

$$10 - Procultivos, Sociedad Anónim was merged into Industrias Bioquim Centroamericana, Sociedad Anónima.

$$11 - Inversiones Lapislazuli Marino, Sociedad Anónima was merged into Industrias Bioquim Centroamericana, Sociedad Anónima.

$$12 - Arysta LifeScience Argentina S.A. was merged into UPL Argentina S A (Formerly known as Icona S A - Argentina).

$$13 - UPL New Zealand Limited (Formerly known as United Phosphorus Limited, New Zealand) was merged into UPL New zealand Ltd. (FKA Etec Corp solution Limited).

$$14 - Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi was merged into UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi(Formerly Known as Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey).

$$15 - Arysta LifeScience Technology BV was merged into Arysta LifeScience Netherlands BV

Notes to Consolidated Financial Statements

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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, 2021	March 31, 2020
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	$$	**	**
7	Serra Bonita Sementes S.A.	Brazil		33%	33%
8	Bioplanta Nutricao Vegetal, Industria e Comercio S.A.	Brazil		***	***
9	Chemisynth (Vapi) Limited	India		30%	30%
10	Universal Pestochem (Industries) Limited	India		44%	44%
11	Agri Fokus (Pty.) Ltd.	South Africa		25%	25%
12	Novon Retail Company (Pty.) Ltd.	South Africa		25%	25%
13	Agronamic (Pty.) Ltd.	South Africa		28%	28%
14	Novon Protecta (Pty) Ltd	South Africa		25%	25%
15	Silvix Forestry (Pty.) Ltd.	South Africa		25%	25%
16	Nexus AG (Pty) Ltd	South Africa		25%	25%
17	Dalian Advanced Chemical Co. Ltd.	China		21%	21%
18	Société des Produits Industriels et Agricoles	Senegal		32%	32%
19	CGNS Limited	U.K.	$$1	-	25%
20	Callitogo SA	Togo		35%	35%
21	Eswatini Agricultural Supplies Limited	South Africa	@	25%	-

$$1 Investment in Associates Liquidated during the current year.

@ Investment in Associates during the Current 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.*

$$ During the year Seara Commercial Agricola Ltda. was merged into Sinagro Produtos Agropecuários 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, 2021	March 31, 2020
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%

Notes to Consolidated Financial Statements

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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, 2021	March 31, 2020
UPL Corporation Limited	Mauritius	22%	22%

Information regarding non-controlling interest:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Accumulated balances of material non-controlling interest	3,585	3,242
Profit/(loss) allocated to material non-controlling interest	652	370

Summarised statement of profit or loss for the year ended March 31, 2021 and March 31, 2020:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Revenue	33,662	31,829
Profit for the year	2,937	1,667
Total comprehensive income	2,937	1,222
Profit attributable to non-controlling interests	652	370
Dividends paid to non-controlling interests	-	19

Summarised balance sheet as at the year end:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Non-current Assets	35,099	36,007
Current Assets	26,070	25,908
Non-current Liabilities	(25,937)	(30,421)
Current Liabilities	(16,103)	(13,910)
Perpetual Subordinated Capital Securities	(2,986)	(2,986)
Total equity	**16,144**	**14,598**
Attributable to:		
Equity holders of parent	12,558	11,356
Non-controlling interest	3,585	3,242

Summarised cash flow for the year end:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Operating	5,108	8,037
Investing	(962)	(1,470)
Financing	(6,201)	(1,711)
Net (decrease)/increase in cash and cash equivalents.	**(2,056)**	**4,857**
Attributable to:		
Equity holders of parent	(1,599)	3,778
Non-controlling interest	(457)	1,079

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

33. INVESTMENT IN JOINT VENTURES

a) The Group has a 40% (March 31, 2020: 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, 2021	March 31, 2020
Non-current assets	0	1
Current assets, including cash and cash equivalents ₹ 13 crore. (March 31, 2020: ₹ 46 crore)	110	147
Non-current liabilities	-	-
Current liabilities, including tax payable ₹ 0.60 crore. (March 31, 2020: ₹ 5 crore)	(50)	(79)
Equity	61	69
Proportion of the Group's ownership	**40%**	**40%**
Carrying amount of the investment (Note)	25	28

Note: The group does not have Goodwill

₹ in crore

Summarised statement of profit or loss	March 31, 2021	March 31, 2020
Revenue	238	202
Profit for the year	6	10
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	**6**	**10**
Group's share of total comprehensive income (40%)	3	4

The group had no contingent liabilities or capital commitments relating to its interest in Hodogaya UPL Co. Limited as at March 31, 2021 and March 31, 2020. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2021 and March 31, 2020.

b) The Group has a 70 % (March 31, 2020: 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, 2021	March 31, 2020
Non-current assets	87	68
Current assets including cash and cash equivalents ₹ 4 crore. (March 31, 2020: ₹ 9 crore).	102	55
Non-current liabilities	(3)	(3)
Current liabilities	(107)	(75)
Equity	80	46
Proportion of the Group's ownership	**70%**	**70%**
Carrying amount of the investment before Goodwill	**56**	**32**
Add: Goodwill	21	17
Carrying amount of the investment	76	49

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

33. INVESTMENT IN JOINT VENTURES (CONTD.)

₹ in crore

Summarised statement of profit or loss	March 31, 2021	March 31, 2020
Revenue	72	42
Profit for the year	24	3
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	**24**	**3**
Group's share of total comprehensive income (70%)	17	2

The group had no contingent liabilities or capital commitments relating to its interest in Longreach Plant Breeders Management Pty. Limited as at March 31, 2021 and March 31, 2020. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2021 and March 31, 2020.

In the year ended March 31, 2021 and March 31, 2020, the group did not receive dividends from any of its Joint Ventures.

c) The group also has interest in an immaterial Joint Venture United Phosphorous (Bangladesh) Limited.

34. INVESTMENT IN ASSOCIATES

a) The Group has a 45% (March 31, 2020: 45%) interest in 3SB Produtos Agricolas S.A., which is involved in business of planting,cultivation and commericialisation 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.:

₹ in crore

Summarised balance sheet	March 31, 2021	March 31, 2020
Non-current assets	249	304
Current assets	213	224
Non-current liabilities	(102)	(151)
Current liabilities	(329)	(352)
Equity	31	26
Proportion of the Group's ownership	**45%**	**45%**
Carrying amount of the investment excluding Goodwill	**14**	**12**
Goodwill	**48**	**55**
Impact of dilution of Equity holding	(1)	(1)
Carrying amount of the investment	61	65

₹ in crore

Summarised statement of profit or loss	March 31, 2021	March 31, 2020
Revenue	175	184
Profit for the year	9	(21)
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	**9**	**(21)**
Group's share of profit for the year	4	(9)

The associate had no contingent liabilities or capital commitments as at March 31, 2021 and March 31, 2020.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

34. INVESTMENT IN ASSOCIATES (CONTD.)

b) The Group has 33.33% (March 31, 2020: 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, 2021	March 31, 2020
Non-current assets	539	561
Current assets	146	131
Non-current liabilities	(134)	(80)
Current liabilities	(91)	(106)
Non-controlling interest		-
Equity	461	506
Proportion of the Group's ownership	**33%**	**33%**
Carrying amount of the investment excluding Goodwill	**154**	**169**
Goodwill	**(9)**	**(10)**
Carrying amount of the investment	145	158

Summarised statement of profit or loss	March 31, 2021	March 31, 2020
Revenue	196	189
Profit for the year	38	13
Other Comprehensive Income (OCI)	**0**	**0**
Total comprehensive income for the year	**38**	**13**
Group's share of profit for the year	13	4

The associate had no contingent liabilities or capital commitments as at March 31, 2021 and March 31, 2020.

c) Other Associates

The following is summarised financial information for the Group's interest in immaterial associates, based on the amounts reported in the Group's consolidated financial statements:

Particulars	March 31, 2021	March 31, 2020
Carrying amount of interests in immaterial associates	73	60
Group's share of:		
- Profit from continuing operations	5	2
- Other comprehensive income	-	-
Total comprehensive income	**5**	**2**

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES

₹ in crore

	March 31, 2021	March 31, 2020
Net employee defined benefit liabilities	**200**	**159**
- Gratuity Plan (Note 35 (b) to (g))	63	45
- Defined benefit pension scheme (Note 35(h))	138	114

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 Consolidated Financial Statements

for the year ended March 31, 2021

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES (CONTD.)

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

₹ in crore

(i) Defined Benefit Plan	Gratuity	
	March 31, 2021	March 31, 2020
Current service cost	30	95
Past Service Cost	-	0
Interest cost on benefit obligation	7	4
Expenses recognised in Profit and Loss (under the head Employee Benefit Expenses in Note 23)	**37**	**99**
Return on plan assets	(2)	41
Net actuarial (gain)/loss recognised during the year	12	(49)
Company contribution	-	2
Remeasurements recognised in Other Comprehensive Income (OCI)	**10**	**(6)**
Total Expenses recognised in the statement of Profit & Loss	**47**	**93**
Actual return on plan assets	**(2)**	**41**

₹ in crore

(ii) Defined Contribution Plan	Provident Fund	
	March 31, 2021	March 31, 2020
Current service cost included under the head Employee Benefit Expense in Note 23	23	21

₹ in crore

(iii) Defined Contribution Plan	Superannuation Fund	
	March 31, 2021	March 31, 2020
Current service cost included under the head Employee Benefit Expense in Note 23	10	9

₹ in crore

(iv) Defined Contribution Plan	Pension Fund	
	March 31, 2021	March 31, 2020
Current service cost included under the head Employee Benefit Expense in Note 23	-	1

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

₹ in crore

	Defined Benefit Plan – Gratuity	
	March 31, 2021	March 31, 2020
Present value of funded obligation	194	77
Less: Fair value of plan assets	131	32
Net Liability	**63**	**45**

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, 2021	March 31, 2020
Opening defined benefit obligation	77	172
Defined benefit obligation on account of acquisition of subsidiaries	-	(4)
Interest cost	8	1
Current service cost	14	12
Benefits paid	(9)	(6)
Actuarial changes arising from changes in financial assumption	43	(49)
Past service cost	24	(22)
Exchange difference	28	(27)
Taxes paid	4	-
Actual Participants contributions	5	-
Closing defined benefit obligation	**194**	**77**

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES (CONTD.)

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

₹ in crore

	Gratuity	
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	34	85
Fair Value of plan assets on account of acquisition	55	(50)
Actual employer contributions	14	-
Actual Participants contributions	9	-
Benefits paid	(7)	-
Actual expenses	(0)	-
Actual Taxes Paid	(0)	-
Interest income	3	-
Return on plan assets	12	1
Actuarial changes arising from changes in financial assumption	11	(2)
Closing fair value of plan assets	**131**	**34**

₹ in crore

	Gratuity	
	March 31, 2021	March 31, 2020
e) Expected contribution to defined benefit plan in future years:	**44**	**37**

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

₹ in crore

	Gratuity	
	March 31, 2021	March 31, 2020
	%	%
Investments with insurer under:		
Funds managed by insurer	100	100

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

₹ in crore

	March 31, 2021	March 31, 2020
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 (2012-14) Ult. and Indonesia – III (2011)
Annual increase in salary costs	7.5%	7.5%
Attrition rate	8%	8%

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

Assumptions

₹ in crore

Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation		
Discount rate	69	82
Future salary increases	11	(3)
Withdrawal rate	1	1

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

35. NET EMPLOYEE DEFINED BENEFIT LIABILITIES (CONTD.)

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, 2021 amounts to ₹ 7.08 crore (March 31, 2020: ₹ 7.51 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 crores
Expected benefit payments in Financial Year + 1	14
Expected benefit payments in Financial Year + 2	10
Expected benefit payments in Financial Year + 3	13
Expected benefit payments in Financial Year + 4	15
Expected benefit payments in Financial Year + 5	11
Expected benefit payments in Financial Year + 6 to + 10	66
	129

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

1. a) 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.

Particulars	March 31, 2020
Number of options granted (net of options lapsed)	5,08,390
Method of settlement (Cash/Equity)	Equity
Vesting period	Spread over 4 years and 6 months
Exercise period	10 years

1.b) The details of the activity have been summarised below

Particulars	March 31, 2021 (No. of equity shares)	March 31, 2020 (No. of equity shares)
Outstanding at the beginning of the year	-	16,500
Exercisable at the beginning of the year	-	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	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	2.91

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

36. SHARE BASED PAYMENTS (CONTD.)

1.c) 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
Weighted average share price/market price	68.75
Exercise price (₹ per share)	57.00
Expected volatility	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%
Expected dividends	0.30% per annum
Average risk-free interest rate	8.04% per annum

2. Employees stock option plan (ESOP) 2013

2. a) 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 shares) to employees.

Particulars	March 31, 2020		
Dates of grant	January 30, 2014	May 27, 2014	May 27, 2014
Dates of board approval	January 30, 2014	May 27, 2014	May 27, 2014
Date of shareholders approval	December 3, 2013	December 3, 2013	December 3, 2013
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**		

2.b) The details of the activity have been summarised below

Particulars	As at March 31, 2021 (No. of equity shares)	As at March 31, 2020 (No. of equity shares)
Outstanding at the beginning of the year	-	5,629
Exercisable at the beginning of the year	-	4,222
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Vested during the year	-	-
Expired during the year	-	5,629
Outstanding at the end of the year	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	0.32

For options exercised during the current period, the weighted average share price at the exercise date was ₹ Nil (March 31, 2020: Nil).

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

36. SHARE BASED PAYMENTS (CONTD.)

2.c) 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
Weighted average share price/market price (₹ per share)	112.81
Exercise price (₹ per share)	Grant 1 ₹103.80
	Grant 2 ₹262.75
	Grant 3 ₹319.70
Expected volatility	49.17%
Life of the options granted (vesting and exercise period) in years	Vesting period + 6 months
Expected dividends	0%
Average risk-free interest rate	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

3.a) 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
Dates of grant	January 25, 2018
Dates of board approval	January 25, 2017
Number of options granted	60,000
Method of settlement (Cash/Equity)	Equity
Vesting period	Spread over 2 years
Contractual life of Option	5 years

Vesting Conditions	Grant Date	Number of Options	Contractual life of Options
1 year from grant date	January 25, 2018	20,000	4 years
2 years from grant date	January 25, 2018	40,000	5 years

3.b) The details of the activity have been summarised below

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	-	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	-	-
Expired during the year	-	37,500
Outstanding at the end of the year	-	-
Exercisable at the end of the year*	-	-
Weighted average remaining contractual life (in years)	-	3.49

For options exercised during the current period, the weighted average share price at the exercise date was ₹ 522.67.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

36. SHARE BASED PAYMENTS (CONTD.)

3.c) The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2020
Weighted average share price/market price (₹ per share)	824
Exercise price (₹ per share)	784
Expected volatility	21.49%
Life of the options granted (vesting and exercise period) in years	2 to 3.25 years
Expected dividends	-
Average risk-free interest rate	7.22% per annum

3.d) Effect of the employee option plan on the Statement of Profit or Loss and on its financial position

₹ in crore

Particulars	March 31, 2020
Total employee compensation cost pertaining to stock option plan	1
Liability for employee stock option plan outstanding as at the year end	1

4. Employees stock option plan (ESOP) 2020

4.a) The Group's subsidiary, Nurture AGTech Private Limited "AFS", has implemented Employee Stock Options Scheme (ESOS) titled 'AFS AGTech Phantom Option Scheme' dated December 18, 2020 ("APOS 2020") whereby stock options aggregating to a maximum of 10,000 stock options would be granted to eligible employees of the Company. Out of the total options to be granted, 50% of the stock options would vest over a period of five years in equal instalments (Tranche A Phantom options) and the remaining 50% stock options would vest basis performance based milestones (Tranche B Phantom options). The said ESOPs to be granted would be treated as cash settled share-based payment and the Company is required to fair value the ESOPs at each financial reporting date using option pricing model.

Terms of Tranche A Phantom options.

40,650 tenure based options to vest over a 5 year period.

Grant date: On or after March 31, 2020.

Vesting Period: Over a period of 5 years in equal instalments

Exercise price: Exercise price shall be ₹ 1 per share for ESOPs granted as per APOS 2020

Exercisable event: Upon occurrence of a Liquidity Event.

Exercise period: 5 years

The fair value of the share options is estimated at the grant date using Black Scholes Option Pricing ("BSOP") method, taking into account the terms and conditions upon which the share options were granted.

Terms of Tranche B Phantom options.

45,350 performance based options to vest only upon the following performance conditions being met –

i. Milestone 1: Valuation of the Company is USD 500 million

ii. Milestone 2: Valuation of the Company is USD 1 billion

Grant date: On or after March 31, 2020

Exercise price: Exercise price shall be ₹ 1 per share for ESOPs granted as per APOS 2020

Exercisable event: Upon occurrence of a Liquidity Event.

The fair value of the share options is estimated at the grant date using Monte Carlo Simulation Pricing ("MCS") method so as to evaluate whether the performance conditions (i.e. Milestone 1 and Milestone 2) have been achieved.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

36. SHARE BASED PAYMENTS (CONTD.)

4.b) The details of the activity have been summarised below

Particulars	March 31, 2021
Outstanding at the beginning of the year	-
Exercisable at the beginning of the year	-
Granted during the year	86,000
Forfeited during the year	-
Exercised during the year	-
Expired during the year	-
Outstanding at the end of the year	86,000
Exercisable at the end of the year*	-
Vested options	7,453

4.c) The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2021
Weighted average share price/market price (₹ per share)	30,327.04
Exercise price (₹ per share)	1.00
Expected volatility	50.00%
Life of the options granted (vesting and exercise period) in years	5 years
Expected dividends	-
Average risk-free interest rate	6.00% per annum

4.d) Effect of the employee option plan on the Statement of Profit or Loss and on its financial position

Particulars	March 31, 2021
Total employee compensation cost pertaining to stock option plan	2.22
Liability for employee stock option plan outstanding as at the year end	2.22

37. COMMITMENTS AND CONTINGENCIES

A. Commitments:

	March 31, 2021	March 31, 2020
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	407	433

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.

	March 31, 2021	March 31, 2020
a) Guarantees		
Guarantees given by the Group on behalf of third parties	70	72

b) Tax Contigencies

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:

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for the year ended March 31, 2021

37. COMMITMENTS AND CONTINGENCIES (CONTD.)

Nature of Tax	March 31, 2021	March 31, 2020
Disputed Excise Duty/Service Tax Liability (excluding interest)	188	190
Disputed Income-tax Liability (excluding interest)	35	35
Disputed Sales-tax Liability	25	20
Disputed Custom duty Liability	23	23
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

Nature of Claim	March 31, 2021	March 31, 2020
Claims payable to growers.	23	23
Other Claims (claims related to contractual and other disputes)	84	36
Group's share of contingent liabilities of associates:-		
Claims against the Associates not acknowledged as debts.	-	2

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.

Pursuant to the judgement 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 judgement retrospectively and the Parent has been legally advised that the judgement would be applicable prospectively. The consolidated financial statements disclose a contingent liability in this regard. No provision has been made for the year ended March 31, 2021 and March 31, 2020.

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

38. RESEARCH AND DEVELOPMENT COSTS

Research and Development costs, as certified by the Management	March 31, 2021	March 31, 2020
a) Revenue expenses debited to appropriate heads in statement of Profit or Loss	772	696
b) Capital Expenditure	135	193

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 Pesto Chem Industries (India) Private 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 (Dissolved as on November 3, 2020)
Callitogo SA
Ingen Technologies Private Limited
Seara Comercial Agricola Ltda.
Bioplanta Nutricao Vegetal,Industria e Comercio S.A.
Eswatini Agricultural Supplies Limited

iii) Enterprises over which key management personnel and their relatives have significant influence (Other Related Parties):

BEIL Infrastructure Limited (Previously known as 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
Jai Trust
Nerka Chemicals Private Limited
Pot Plants
Sanguine Holdings Private Limited
Tatva Global Environment Private Limited
Tatva Global Environment (Deonar) Limited
Ultima Search
Uniphos International Limited
Uniphos Enterprises Limited
Uniphos Envirotronic Private Limited
UPL Environmental Engineers Limited
Vikram Farm
Urbania Realty LLP
Agraja Properties Limited
Crop Care Federation of India

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

39. RELATED PARTY DISCLOSURES (CONTD.)

Bench Bio Private Limited
JRF America
JRF International
Pentaphos Industries Private 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 (Up to August 31, 2020) *
Mr. Arun C. Ashar
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 Ramachandran
Mrs. Shilpa Sagar*
Mrs. Usha Mohan Rao Monari (From: December 27, 2019)
Mr. Anand K Vora - Chief Financial Officer
Mr. M.B Trivedi - Company Secretary (Up to : November 7, 2019)
Mr. Sandeep Deshmukh - Company Secretary (From: November 8, 2019)

** Relative of key management personnel.*

(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, 2021				March 31, 2020			
	Joint Ventures	Associates	Other related parties	Total	Joint Ventures	Associates	Other related parties	Total
1. INCOME								
a) SALE OF GOODS	**80**	**1,081**	**1**	**1,162**	**64**	**786**	**1**	**851**
Sinagro Produtos Agropecuários S.A.	-	502	-	502	-	312	-	312
Hodogaya UPL Co. Limited	75	-	-	75	64	-	-	64
3SB Productos Agricolas S.A.	-	39	-	39	-	1	-	1
Nexus AG (Pty) Ltd.	-	111	-	111	-	113	-	113
Novon Protecta (Pty) Ltd.	-	128	-	128	-	85	-	85
Agronamic (Pty.) Ltd.	-	101	-	101	-	86	-	86
Novon Retail Company (Pty.) Ltd.	-	91	-	91	-	83	-	83
Others	5	110	1	115	-	106	1	107
b) MANAGEMENT FEES	**-**	**-**	**4**	**4**	**-**	**-**	**5**	**5**
Tatva Global Environment Private Limited			0	0	-	-	0	0
Gharpure Engineering & Construction Private Limited			-	-	-	-	2	2
Uniphos Enterprises Limited			2	2	-	-	1	1
Bharuch Enviro Infrastructure Limited			1	1	-	-	1	1
Others			0	0	-	-	0	0

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for the year ended March 31, 2021

39. RELATED PARTY DISCLOSURES (CONTD.)

Nature of Transactions	March 31, 2021				March 31, 2020			
	Joint Ventures	Associates	Other related parties	Total	Joint Ventures	Associates	Other related parties	Total
c) RENT RECEIVED	**-**	**-**	**0**	**0**	**-**	**-**	**0**	**0**
Uniphos Envirotronic Private Limited	-	-	0	0	-	-	0	0
Others	-	-	0	0	-	-	0	0
d) INTEREST RECEIVED	**5**	**-**	**10**	**15**	**-**	**-**	**0**	**0**
Tatva Global Environment Private Limited	-	-	9	9	-	-	0	0
Longreach Plant Breeders Management Services Pty. Limited	5	-	-	5	-	-	-	-
Others	-	-	1	1	-	-	-	-
e) GROUP RECHARGE	2	-	-	2	-	-	-	-
Longreach Plant Breeders Management Services Pty. Limited	2	-	-	2	-	-	-	-
f) ROYALTY RECEIVED	10	-	-	10				
Longreach Plant Breeders Management Services Pty. Limited	10	-	-	10				
g) OTHER INCOME	**-**	**0**	**-**	**0**				
Others		0		0				
2. EXPENSES								
a) PURCHASES OF GOODS	**16**	**-**	**90**	**106**	**26**	**-**	**57**	**83**
Hodogaya UPL Co. Limited	16	-	-	16	26	-	-	26
Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-	-	-
Bloom Seal Containers Private Limited	-	-	49	49	-	-	31	31
Bloom Packaging Private Limited	-	-	15	15	-	-	12	12
Ultima Search	-	-	16	16	-	-	12	12
Others	0	-	9	9	-	-	2	2
b) FIXED ASSETS	**-**	**-**	**36**	**36**	**-**	**0**	**0**	**1**
Uniphos Envirotronic Private Limited	-	-	1	1	-	-	0	0
Ingen Technologies P. Ltd.	-	-	-	-	-	0	-	0
Urbania Realty LLP	-	-	31	31				
Others	-	-	4	4				
c) OTHERS	**-**	**-**	**4**	**4**	**-**	**-**	**0**	**0**
Vikram Farm	-	-	0	0	-	-	0	0
Pot Plants	-	-	-	-	-	-	0	0
Sinagro Produtos Agropecuários S.A.	-	-	0	0	-	-	-	-
Crop Care Federation of India	-	-	0	0				
BEIL Infrastructure Limited	-	-	1	1	-	-	-	-
Others	-	-	2	2	-	-	-	-
d) SERVICES	**-**	**9**	**104**	**113**	**-**	**4**	**111**	**115**
Bharuch Enviro Infrastructure Limited	-	-	100	100	-	-	108	108
Chemie Synth (Vapi) Limited	-	9	-	9	-	3	-	3
Others	-	0	4	4	-	0	3	4

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

39. RELATED PARTY DISCLOSURES (CONTD.)

Nature of Transactions	March 31, 2021				March 31, 2020			
	Joint Ventures	Associates	Other related parties	Total	Joint Ventures	Associates	Other related parties	Total
e) RENT	**-**	**-**	**2**	**2**	**-**	**-**	**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	-	-	1	1	-	-	0	0
f) ROYALTY	**-**	**-**	**-**	**-**	**23**	**-**	**-**	**23**
Longreach Plant Breeders Management Services Pty. Limited	-	-	-	-	23			23
g) COMMISSION EXPENSE	**-**	**2**	**-**	**2**	**-**	**4**	**-**	**4**
Agri Fokus (Pty.) Ltd.	-	1	-	1	-	0	-	0
Novon Retail Company (Pty.) Ltd.	-	2	-	2	-	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**
Longreach Plant Breeders Management Services Pty. Limited	-	-	-	-	5	-	-	5
b) SALE OF BONDS	**-**	**-**	**26**	**26**	**-**	**-**	**61**	**61**
Nerka Chemicals Pvt. Ltd.	-	-	26	26	-	-	61	61
c) ADVANCES GIVEN	**-**	**-**	**112**	**112**	**-**	**-**	**29**	**29**
Urbania Realty LLP	-	-	5	5	-	-	29	29
Tatva Global Environment Private Limited	-	-	105	105	-	-	-	-
Others	-	-	2	2	-	-	-	-
d) ADVANCES REPAID	**-**	**-**	**121**	**121**	**-**	**-**	**-**	**-**
Tatva Global Environment Private Limited	-	-	105	105	-	-	-	-
Others	-	-	16	16				
e) DIVIDEND RECEIVED	**4**	**-**	**-**	**4**	**-**	**-**	**-**	**-**
Hodogaya UPL Co. Limited	4	-	-	4	-	-	-	-
4. REIMBURSEMENTS								
a) RECEIVED	**-**	**-**	**0**	**0**	**-**	**-**	**1**	**1**
Uniphos Envirotronic Private Limited	-	-	0	0	-	-	1	1
Ultima Search	-	-	-	-	-	-	0	0
Others	-	-	0	0	-	-	0	0
b) MADE	**-**	**-**	**0**	**0**	**-**	**-**	**0**	**0**
UPL Enviromental Engineering Limited	-	-	-	-	-	-	0	0
Urbania Realty LLP	-	-	-	-	-	-	-	-
Others	-	-	0	0	-	-	-	-

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

39. RELATED PARTY DISCLOSURES (CONTD.)

Nature of Transactions	March 31, 2021				March 31, 2020			
	Joint Ventures	Associates	Other related parties	Total	Joint Ventures	Associates	Other related parties	Total
5. OUTSTANDINGS AS AT BALANCE SHEET DATE								
a) PAYABLES	**59**	**2**	**15**	**76**	**15**	**230**	**9**	**254**
Longreach Plant Breeders Management Services Pty. Limited	51	-	-	51	8	-	-	8
Sinagro Produtos Agropecuários S.A.	-	0	-	0	-	229	-	229
Hodogaya UPL Co. Limited	8	-	-	8	7	-	-	7
Others	-	2	15	17	-	1	9	10
b) RECEIVABLES	**15**	**279**	**1**	**296**	**27**	**200**	**18**	**245**
Hodogaya UPL Co. Limited	8	-	-	8	27	-	-	27
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	0	0
3SB Produtos Agrícolas S.A.	-	23	-	23	-	1	-	1
Sinagro Produtos Agropecuários S.A.	-	16	-	16	-	28	-	28
Longreach Plant Breeders Management Services Pty. Limited	5	-	-	5	-	0	-	0
Novon Protecta (Pty) Ltd.	-	93	-	93	-	60	-	60
Agronamic (Pty.) Ltd.	-	63	-	63	-	45	-	45
Novon Retail Company (Pty.) Ltd.	-	26	-	26	-	23	-	23
Nexus AG (Pty) Ltd.	-	41	-	41	-	32	-	32
Gharpure Engineering & Construction Private Limited	-	-	-	-	-	-	11	11
Others	3	17	1	21	-	13	7	20
c) LOANS/INTER CORPORATE DEPOSITS GIVEN	**66**	**-**	**19**	**85**	**54**	**-**	**5**	**59**
3SB Productos Agricolas S.A.	-	-	-	-	-	-	-	-
Longreach Plant Breeders Management Services Pty. Limited	66	-	-	66	54	-	-	54
Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-	-	-
Bharuch Enviro Infrastructure Limited	-	-	-	-	-	-	-	-
Bloom Packaging Private Limited	-	-	1	1	-	-	1	1
Others	-	-	18	18	-	-	4	4
d) MANAGEMENT FEES RECEIVABLE	**-**	**-**	**1**	**1**	**-**	**-**	**-**	**-**
Tatva Global Environment Private Limited	-	-	-	-	-	-	-	-
Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	-	-
Bharuch Enviro Infrastructure Limited	-	-	0	0	-	-	-	-
Others	-	-	1	1				-

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

39. RELATED PARTY DISCLOSURES (CONTD.)

Nature of Transactions	March 31, 2021				March 31, 2020			
	Joint Ventures	Associates	Other related parties	Total	Joint Ventures	Associates	Other related parties	Total
e) INTEREST RECEIVABLES	**-**	**-**	**0**	**0**	**-**	**-**	**-**	**-**
Gharpure Engineering and Construction Private Limited	-	-	-	-	-	-	-	-
Sinagro Produtos Agropecuários S.A.	-	-	-	-	-	-	-	-
Longreach Plant Breeders Management Services Pty. Limited	-	-	-	-	-	-	-	-
Tatva Global Environment Private Limited	-	-	0	0	-	-	-	-
Others				-	-	-	-	-

c) Transactions with key management personnel of the Holding Company and their relatives

₹ Crs

Nature of Transactions	Year ended March 31, 2021	Year ended March 31, 2020
Remuneration (Refer Note 1 below)		
Short-term benefits	114	115
Post-Employment benefits	1	1
	115	**116**
Rent paid	**2**	**2**
Commission	**0**	**-**
Professional fees	**1**	**1**
Sundry Deposits Given	**0**	**0**
Outstandings as at the Balance Sheet Date	**7**	**-**

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

40. SEGMENT INFORMATION

(A) Primary Segment Reporting (by Business Segment)

Sr. No..	Particulars	March 31, 2021 Agro Activity	Non-Agro Activity	Unallocated	Total	March 31, 2020 Agro Activity	Non-Agro Activity	Unallocated	Total
1.	**Revenue from operations (net)**								
a)	External	37,038	1,645	11	38,694	34,384	1,366	6	35,756
b)	Intersegment	(237)	237	-	-	(241)	241	-	-
	Total	**36,801**	**1,882**	**11**	**38,694**	**34,143**	**1,607**	**6**	**35,756**
2.	**Segment Results**								
a)	Contribution	6,875	330	-	7,205	5,337	290	-	5,627
	Intersegment profits	-	-	-	-	-	-	-	
	Total Segment Results	**6,875**	**330**	**-**	**7,205**	**5,337**	**290**	**-**	**5,627**
	Less:								
	(i) Finance Costs	-	-	-	2,060	-	-	-	1,481
	(ii) Unallocable Expenditure/Income (net)	-	-	-	768	-	-	-	761
	(iii) Share of profit/(loss) of associates and joint ventures	-	-	-	42	-	-	-	3
	(iv) Exceptional items (Refer Note no. 27)	-	-	-	238	-	-	-	623
	Total Profit before Tax				**4,181**				**2,764**
	Provision for tax								
	Current tax				936				759
	Adjustments of tax relating to earlier years				(105)				8
	Deferred tax				(145)				(181)
	Profit for the year attributable to				**3,495**				**2,178**
	Owners of the parent				2,871				1,776
	Non-controlling interest				624				402
	Other Information								
	Segment Assets	60,880	1,405	8,146	70,431	58,387	1,272	10,424	70,083
	Segment Liabilities	18,269	514	27,068	45,851	15,075	427	31,987	47,489
	Capital Expenditure	1,976	142	4	2,122	1,984	50	5	2,039
	Depreciation	752	69	23	844	672	41	24	738
	Amortisation	1,207	18	104	1,329	1,149	13	113	1,274
	Non-cash expenses other than depreciation	85	0	-	85	68	4	-	72

(B) Secondary Segment Reporting (by Geographical location of the customers)

Particulars	March 31, 2021 India	Europe	North America	Latin America	ROW	Total
Revenue by geographical market	4,677	6,422	5,691	14,863	7,041	38,694
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)	5,318	8,372	5,823	11,109	6,730	37,351

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

40. SEGMENT INFORMATION (CONTD.)

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:

(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 group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

41. GOODWILL AND ACQUISITION OF A SUBSIDIARY

₹ in crore

	March 31, 2021	March 31, 2020
Movement of Goodwill		
At beginning of the period	18,241	16,627
Acquisition (Refer Note(i & ii) below)		
- Industrias Bioquim Centroamericana, Sociedad Anonima (Refer Note(i))	-	80
- Laoting Yoloo Bio-Technology Co. Ltd. and its subsidiary (Anhui Yoloo Hexie Plant Protection Co. Ltd.) (Refer Note (ii))	50	
- Ingeagro SA, Chile (Refer Note(iii))	4	
Effect of movements in exchange rates	(606)	1,534
	17,689	**18,241**

The Group performs its annual impairment test for Goodwill acquired through business combinations and Brands with indefinite useful lives.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

41. GOODWILL AND ACQUISITION OF A SUBSIDIARY (CONTD.)

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, 2021	March 31, 2020
Europe	3,652	3,776
Latin America	7,650	7,922
North America	2,853	2,953
Rest of the World	3,534	3,590
Total Goodwill	**17,689**	**18,241**
Add: Brand	399	413
Grand Total	**18,088**	**18,654**

The recoverable amount of the 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 refelect 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, 2021	Discount rate March 31, 2021	Growth Rate March 31, 2020	Discount rate March 31, 2020
Europe	3%-5%	10%-11%	3%-5%	12.0%
LATAM	7%-10%	12%-13%	7%-10%	12%-13%
North America	5%-8%	9%-10%	3%-6%	10.0%
Rest of the World	8%-12%	10%-12%	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 particpant would make.

Sensitivity Analysis:
The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The management believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

Acquisition of subsidiary

Name of subsidiary company	Date of Acquisition	% Holding
Industrias Bioquim Centroamericana, Sociedad Anonima ("Bioquim")	June 27, 2019	100%
Laoting Yoloo Bio-Technology Co. Ltd. and its subsidiary (Anhui Yoloo Hexie Plant Protection Co. Ltd.) (Refer Note (ii))	April 30, 2020	100%
Ingeagro SA, Chile (Refer Note(iii))	August 4, 2020	75%

(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 thousands. 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

41. GOODWILL AND ACQUISITION OF A SUBSIDIARY (CONTD.)

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	**136**
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.

(ii) Consideration transferred for Laoting Yoloo Bio-Technology Co. Ltd. and Anhui Yoloo Hexie Plant Protection Co. Ltd.

A. Goodwill

The following table summarises the acquisition date fair value consideration:

₹ in crore

	2021	Impact of finalisation of PPA	2021
Cash	73	-	73
Contingent considerations	180	17	163
Total consideration	**254**	**17**	**237**

On April 30, 2020 (date of acquisition), the Group completed an acquisition of 100% of the shares of Yoloo (Laoting) Bio-Technology Co., Ltd. (Yoloo), an agrochemical company based in Hebei Province, China, for a consideration of ₹ 163 crore and goodwill recognised of ₹ 49 crore. The Group is engaged in the business of production, processing, packaging and sales of water soluble fertiliser, organic fertiliser, microbial fertilisers, micronutrient fertiliser, secondary nutrients etc.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

41. GOODWILL AND ACQUISITION OF A SUBSIDIARY (CONTD.)

The Group has finalised purchase price accounting for this acquisition and accordingly disclosed the impact for the same below.

Contingent consideration

Contingent consideration is measured at fair value at the date of acquisition. This liability is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss. As the Group has agreed to pay the selling shareholders an additional consideration, an amount of ₹ 163 crore was provided as contingent consideration at the date of acquisition representing fair value.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	2021 ₹ crs	Impact of finalisation of PPA ₹ in crore	2021 ₹ crs
Consideration transferred	224	17	207
Fair valuation of identified net assets on date of acquisition	(148)	9	(157)
	76	**26**	**50**

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

	2021	Impact of finalisation of PPA	2021
Total consideration	**254**	**17**	**237**
Less: Cash & cash equivalents acquired	(30)	-	(30)
Total consideration paid net of cash acquired (A)	**224**	**17**	**207**
Intangible assets	36	(47)	84
Tangible assets	218	30	187
Working capital	(22)	66	(88)
Deferred tax liabilities (primarily arising on account of Purchase Price Allocation)	(9)	3	(12)
Others	(75)	(61)	(13)
Total net assets (B)	**148**	**(9)**	**157**
Goodwill (A-B)	**76**	**26**	**49**

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

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 Intellectual Property Rights. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the existing product portfolio, by excluding any cash flows related to contributory assets.
Identified Tangible assets	Tangible assets have been provisionally valued by Indirect (indexation) Method under Cost Approach on high level desktop basis based on limited data and clarifications provided by the Company at this stage. Land use rights of the subject land has been provisionally valued by using the current land rate to be payable as one time premium to the Government for similar land as that of the Company at Hebei province, China at this stage.
Inventory/Working capital	Inventory was fair valued after considering a step-up over book value.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

41. GOODWILL AND ACQUISITION OF A SUBSIDIARY (CONTD.)

From the date of acquisition, Yoloo contributed ₹ 229 crore of revenue and ₹ 64 crore to profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been ₹ 249 crore and profit before tax from continuing operations for the Group would have been ₹ 70 crore.

(iii) Consideration transferred for IngeAgro

On August 4, 2020, the Group completed the acquisition of 75% of the shares of INGEAGRO SA, an agrochemical company based in Chile and its patented FULLCOVER® Ultra-Low Volume Electrostatic Application Technology. The consideration for the acquisition aggregates USD 900 thousands. The fair value of the net assets acquired, non controlling interest and resulting goodwill determined on a provisional basis. As permitted by IFRS 3 Business Combinations, the Group expects to finalise the valuation of the aforesaid items within 1 year from the date of acquisition.

A. Goodwill

Goodwill arising from the acquisition has been recognised as follows:

₹ crs

	2021
Consideration transferred	7
Deferred consideration	4
Fair valuation of identified net assets on date of acquisition	(7)
	4

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

	2021
Total consideration (A)	11
Less: Cash & cash equivalents acquired	-
Total consideration paid net of cash acquired	**11**
Intangible assets	8
Tangible assets	0
Working capital	1
Deferred tax liabilities (primarily arising on account of Purchase Price Allocation)	0
Others	-
Non-controlling interests	(2)
Total net assets (B)	**7**
Goodwill (A-B)	**4**

The fair value of the net assets acquired has been determined by the Management with the assistance of an external expert.

From the date of acquisition, IngeAgro contributed ₹ 5 crore of revenue and ₹ 2 crore to profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been ₹ 8 crore and profit before tax from continuing operations for the Group would have been ₹ 3 crore.

Measurement of fair values

Identified Intangible assets	The multi-period excess earnings method is adopted to value Intangible assets. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the existing product portfolio, by excluding any cash flows related to contributory assets.

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42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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	UPL Limited, India	24%	4,929	19%	556			34%	556	24%	4,637	23%	401			25%	401
2	Subsidiaries																	
	Indian	UPL Global Business Services Limited (FKA Shroffs United Chemicals Limited)	0%	(0)	0%	(1)			0%	(1)	0%	0	0%	0			0%	0
		Swal Corporation Limited	1%	130	1%	29			2%	29	1%	107	0%	4			0%	4
		United Phosphorus (India) Llp	1%	105	0%	13			1%	13	0%	69	3%	46			3%	46
		United Phosphorus Global Llp	0%	0	0%	0			0%	0	0%	0	0%	(0)			0%	(0)
		UPL Sustainable Agri Solutions Limited (FKA Optima Farm Solutions Ltd)	0%	74	1%	17			1%	17	0%	57	1%	17			1%	17
		Agrinet Solutions Limited	0%	3	0%	(0)			0%	(0)	0%	3	0%	(0)			0%	(0)
		Arysta Lifescience India Limited	1%	136	1%	34			2%	34	1%	105	0%	(3)			0%	(3)
		Arysta Lifescience Agriservice Private Limited	0%	0	0%	(0)			0%	(0)	0%	0	0%	0			0%	0
		Arysta Agro Private Limited	0%	0	0%	(0)			0%	(0)	0%	0	0%	0			0%	0
		Arysta Lifescience Services Llp	0%	0	0%	(0)			0%	(0)	0%	0	0%	(0)			0%	(0)
		Natural Plant Protection Limited	0%	(3)	0%	(3)			0%	(3)	0%	(0)	0%	(0)			0%	(0)
		Nurture Agtech Pvt Ltd. (FKA AFS Agtech Pvt. Limited)	0%	23	-1%	(26)			-2%	(26)	0%	(1)	0%	(1)			0%	(1)
		Federation Of Agri-Value Chain, Manufacturers And Exporters (Viz FAME)	0%	0		(0)				(0)								
	Foreign	Anesa S.A.	1%	182	-65%	(1,861)			-115%	(1,861)	10%	1,959	98%	1,744			108%	1,744
		Arysta Lifescience Benelux Sprl	3%	702	7%	190			12%	190	2%	389	-7%	(116)			-7%	(116)
		Arysta Lifescience Ougrée Production Sprl	0%	103	1%	18			1%	18	0%	85	1%	16			1%	16
		Upl Europe Ltd. (Formerly Known As United Phosphorus Limited, U.K.)	-30%	(6,255)	51%	1,462			90%	1,462	-30%	(5,795)	-2%	(39)			-2%	(39)
		Arysta Lifescience U.K. Brl Limited	0%	-	3%	95			6%	95	27%	5,247	21%	377			23%	377
		Arysta Lifescience U.K. & Ireland Ltd	0%	3	0%	(0)			0%	(0)	0%	3	0%	(3)			0%	(3)
		United Phosphorus Global Services Limited	-2%	(516)	0%	(4)			0%	(4)	-3%	(494)	-1%	(18)			-1%	(18)
		Upl Deutschland Gmbh (Formerly Known As United Phosphorus Gmbh - Germany)	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Lifescience U.K. Usd-2 Limited	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		United Phosphorus Polska Sp.Z O.O - Poland	0%	(0)	0%	(0)			0%	(0)	0%	(0)	0%	(0)			0%	(0)

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for the year ended March 31, 2021

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Arysta Lifescience U.K. Jpy Limited	20%	4,210	8%	240			15%	240	0%	(2)	0%	(0)			0%	(0)
		Arysta Lifescience U.K. Limited	0%	(0)	0%	(1)			0%	(1)	0%	19	0%	(0)			0%	(0)
		Arysta Lifescience U.K. Holdings Limited	0%	(0)	0%	(0)			0%	(0)	-12%	(2,364)	0%	(4)			0%	(4)
		UPL Agricultural Solutions Romania SRL (FKA Arysta LifeScience Romania SRL)	0%	12	1%	16			1%	16	0%	7	0%	(7)			0%	(7)
		Arysta Lifescience Global Limited	-3%	(587)	0%	10			1%	10	19%	3,594	19%	337			21%	337
		Arysta Lifescience Switzerland Sarl	0%	0	0%	(0)			0%	(0)	0%	0	0%	0			0%	0
		Arysta Lifescience U.K. Cad Limited	0%	-	0%	0			0%	0	0%	(2)	0%	(0)			0%	(0)
		Upl Benelux B.V.(Formerly Known As Agrichem B.V.)	1%	180	1%	28			2%	28	1%	160	2%	36			2%	36
		Arysta Lifescience European Investments Limited	0%	0	0%	(5)			0%	(5)	-8%	(1,588)	-3%	(54)			-3%	(54)
		Arysta Lifescience Great Britain Ltd	-3%	(684)	-1%	(14)			-1%	(14)	-3%	(647)	1%	12			1%	12
		Arysta Lifescience U.K. Usd Limited	0%	(0)	-1%	(20)			-1%	(20)	-20%	(3,782)	-21%	(374)			-23%	(374)
		Arysta Lifescience Registrations Great Britain Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Lifescience Germany Gmbh	0%	35	1%	17			1%	17	0%	24	0%	(7)			0%	(7)
		Arysta Lifescience U.K. Eur Limited	0%	-	0%	9			1%	9	6%	1,171	2%	44			3%	44
		Cerexagri B.V. - Netherlands	0%	68	-8%	(216)			-13%	(216)	2%	305	1%	18			1%	18
		Arysta Lifescience Netherlands Bv	1%	299	1%	34			2%	34	1%	248	3%	51			3%	51
		UPL Agricultural Solutions Holdings BV	24%	4,973	118%	3,386			210%	3,386	8%	1,553	16%	288			18%	288
		UPL Holdings Cooperatief U.A (FKA United Phosphorus Holdings Cooperatief U.A.)	-28%	(5,749)	-3%	(72)			-4%	(72)	-28%	(5,481)	-3%	(45)			-3%	(45)
		Macdermid Agricultural Solutions Netherlands Cooperatief Ua	0%	(0)	0%	-			0%	-	0%	55	0%	(0)			0%	(0)
		UPL Holdings BV (FKA United Phosphorus Holdings B.V., Netherlands)	2%	378	0%	(0)			0%	(0)	2%	302	1%	17			1%	17
		Arysta Lifescience Technology Bv	0%	-	0%	-			0%	-	0%	1	0%	(0)			0%	(0)
		Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	0%	(1)	0%	(0)			0%	(0)	0%	(1)	0%	(0)			0%	(0)
		Dutch Agricultural Formations Cv	0%	-	0%	-			0%	-	0%	-	-1%	(10)			-1%	(10)
		Decco Worldwide Post-Harvest Holdings B.V.	0%	(66)	0%	4			0%	4	0%	(67)	0%	(6)			0%	(6)

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Netherlands Agricultural Technologies Cv	0%	0	0%	-			0%	-	0%	0	-5%	(88)			-5%	(88)
		UPL Holdings Brazil B.V. (FKA United Phosphorus Holding, Brazil B.V.)	-2%	(353)	0%	(13)			-1%	(13)	-2%	(329)	-1%	(11)			-1%	(11)
		Advanta Holdings Bv, Netherland	-8%	(1,698)	-1%	(34)			-2%	(34)	-8%	(1,602)	-3%	(61)			-4%	(61)
		Advanta Netherlands Holdings Bv,Netherlands	1%	312	-1%	(17)			-1%	(17)	3%	577	-1%	(11)			-1%	(11)
		United Phosphorus Holdings U.K. Ltd	0%	(0)	0%	(0)			0%	(0)	0%	-	0%	-			0%	-
		Upl Italia S.R.L.(Formerly Known As Cerexagri Italia S.R.L.)	0%	104	1%	27			2%	27	1%	114	-1%	(26)			-2%	(26)
		Arysta Lifescience Italia Srl	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		UPL Agricultural Solutions	0%	42	1%	30			2%	30	0%	12	0%	(1)			0%	(1)
		UPL Bulgaria EOOD (FKA Arysta LifeScience Bulgaria EOOD)	0%	20	0%	13			1%	13	0%	11	0%	0			0%	0
		UPL Hellas S.A. (FKA Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services)	0%	5	0%	5			0%	5	0%	10	0%	(6)			0%	(6)
		UPL Portugal Unipessoal, Ltda.	0%	0	0%	0			0%	0	0%	0	0%	0			0%	0
		Upl Iberia, Sociedad Anonima	0%	93	0%	(2)			0%	(2)	1%	117	1%	24			2%	24
		Vetopharma Iberica SL	0%	(2)	0%	4			0%	4	0%	(5)	0%	0			0%	0
		Naturagri Soluciones, SLU	0%	47	0%	2			0%	2	0%	48	0%	(4)			0%	(4)
		Decco Iberica Postcosecha, S.A.U., Spain (Formerly Cerexagri Iberica)	1%	155	1%	22			1%	22	1%	128	1%	15			1%	15
		Transterra Invest, S. L. U., Spain	0%	(90)	2%	52			3%	52	-1%	(137)	1%	10			1%	10
		Cerexagri S.A.S.	2%	436	2%	59			4%	59	2%	353	1%	26			2%	26
		Neo-Fog S.A.	0%	-	0%	(1)			0%	(1)	0%	43	0%	4			0%	4
		United Phosphorus Switzerland Limited.	0%	1	6%	179				179								
		Upl France(Formerly Known As As Pen Sas)	0%	(88)	3%	76			5%	76	0%	(83)	2%	34			2%	34
		Arysta Lifescience S.A.S.	1%	246	-18%	(511)			-32%	(511)	4%	685	-33%	(589)			-36%	(589)
		Arysta Lifescience France Sas	0%	-	0%	0			0%	0	0%	(53)	-3%	(60)			-4%	(60)
		United Phosphorus Switzerland Limited.	0%	-	0%	-			0%	-	0%	1	0%	(0)			0%	(0)
		Agrodan, Aps	0%	-	0%	1			0%	1	0%	3	0%	(0)			0%	(0)
		Platform Sales Suisse Gmbh	-2%	(511)	0%	(7)			0%	(7)	-3%	(500)	-1%	(14)			-1%	(14)
		Decco Italia Srl,Italy	0%	63	0%	5			0%	5	0%	55	0%	3			0%	3

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Natural Plant Protection S.A.S.	0%	(0)	0%	(6)			0%	(6)	0%	65	1%	11			1%	11
		Arysta Lifescience Holdings France Sas	0%	(0)	0%	-			0%	-	-3%	(606)	-1%	(14)			-1%	(14)
		Goëmar Développement Sas	0%	(0)	0%	-			0%	-	0%	(0)	0%	(3)			0%	(3)
		Laboratoires Goëmar Sas	-2%	(319)	0%	14			1%	14	1%	159	5%	92			6%	92
		Arysta Animal Health Sas	1%	208	1%	20			1%	20	1%	182	1%	24			1%	24
		Betel Reunion S.A.	0%	6	0%	0			0%	0	0%	5	0%	1			0%	1
		Arysta Lifescience Europe Sarl	0%	-	0%	-			0%	-	0%	-	0%	(0)			0%	(0)
		Ppwj Sci	0%	1	0%	(0)			0%	(0)	0%	1	0%	(0)			0%	(0)
		Limited Liability Company "Upl" (Formerly Cjsc United Phosphorus Limited, Russia)	0%	7	0%	3			0%	3	0%	3	-1%	(9)			-1%	(9)
		UPL Czech s.r.o. (FKA Arysta LifeScience Czech s.r.o.)	0%	23	0%	8			0%	8	0%	17	-1%	(11)			-1%	(11)
		UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság. (FKA Arysta LifeScience Magyarorszag Kft.)	0%	55	1%	16			1%	16	0%	43	0%	(0)			0%	(0)
		Advanta Seeds Ukraine Llc	0%	5	0%	(3)			0%	(3)	0%	3	0%	(5)			0%	(5)
		Arysta Lifescience Vostok Ltd.	0%	(20)	0%	1			0%	1	0%	(21)	0%	(3)			0%	(3)
		Arysta Lifescience Polska Sp. Z.O.O	0%	99	1%	37			2%	37	0%	70	-1%	(11)			-1%	(11)
		Arysta Lifescience Rus Llc	1%	127	0%	9			1%	9	1%	118	0%	(8)			0%	(8)
		Decco Portugal Post Harvest Lda	0%	0	0%	0			0%	0	0%	(0)	0%	0			0%	0
		Agripraza Ltda.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Agriphar Poland Sp. Zoo	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		UPL Slovakia S.R.O (FKA Arysta LifeScience Slovakia S.R.O.)	0%	5	0%	3			0%	3	0%	5	0%	(4)			0%	(4)
		UPL Ukraine LLC (FKA Arysta LifeScience Ukraine LLC)	0%	45	1%	33			2%	33	0%	20	-2%	(32)			-2%	(32)
		Arysta Lifescience Kiev Llc	0%	-	0%	0			0%	0	0%	-	0%	(0)			0%	(0)
		UPL NA Inc. (formerly known as United Phosphorus Inc.)	-5%	(1,008)	20%	575			36%	575	-8%	(1,526)	50%	887			55%	887
		Upi Finance Llc	0%	-	0%	(0)			0%	(0)	0%	0	0%	-			0%	-
		Cerexagri, Inc. (Pa),Usa	2%	393	0%	1			0%	1	2%	406	0%	1			0%	1
		Upl Delaware, Inc.,Usa	0%	(62)	-1%	(17)			-1%	(17)	0%	(46)	-1%	(16)			-1%	(16)
		Canegrass Llc, Usa	0%	-	0%	5			0%	5	0%	0	-2%	(28)			-2%	(28)
		Decco Us Post-Harvest Inc (Us)	0%	(31)	4%	112			7%	112	-1%	(146)	-12%	(209)			-13%	(209)
		Essentiv Lcc (50%)	0%	(23)	0%	0			0%	0	0%	(24)	0%	2			0%	2

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Riceco Llc,Usa	0%	0	-3%	(92)			-6%	(92)	0%	93	0%	(2)			0%	(2)
		Riceco International, Inc.Bhamas	2%	330	1%	31			2%	31	2%	312	1%	26			2%	26
		Arysta Lifescience Inc.	10%	2,068	0%	14			1%	14	9%	1,738	15%	260			16%	260
		Arysta Lifescience Management Company, Llc	-1%	(234)	-2%	(58)			-4%	(58)	-1%	(183)	0%	(5)			0%	(5)
		Arysta Lifescience Spc, Llc	0%	-	0%	-			0%	-	0%	0	0%	-			0%	-
		Arysta Lifescience America Inc.	0%	76	0%	5			0%	5	0%	73	0%	7			0%	7
		Arvesta Corporation	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Advanta Us, Llc (Formerly Known As Advanta Us Inc,Usa)	0%	(90)	-2%	(48)			-3%	(48)	0%	(44)	-2%	(33)			-2%	(33)
		UPL Agrosolutions Canada Inc	13%	2,735	24%	689			43%	689	7%	1,394	0%	(5)			0%	(5)
		Arysta Lifescience Canada Bc Inc.	0%	-	-20%	(583)			-36%	(583)	7%	1,340	10%	171			11%	171
		Arysta Lifescience North America, Llc	-11%	(2,397)	-6%	(165)			-10%	(165)	-12%	(2,321)	-26%	(466)			-29%	(466)
		Arysta Lifescience Na Holding Llc	2%	433	0%	(0)			0%	(0)	2%	449	0%	(0)			0%	(0)
		Gbm Usa Llc	0%	(8)	0%	-			0%	-	0%	(9)	0%	-			0%	-
		Dutch Agricultural Investment Partners Llc	0%	(0)	0%	(2)			0%	(2)	0%	5	0%	2			0%	2
		Netherlands Agricultural Investment Partners Llc	0%	63	0%	0			0%	0	0%	65	1%	13			1%	13
		Arysta Lifescience Investments Llc	0%	(0)	-2%	(46)			-3%	(46)	0%	56	3%	46			3%	46
		UPL Services LLC	0%	64	2%	61			4%	61	0%	5	0%	4			0%	4
		Upl Corporation Limited, Mauritius	97%	20,282	22%	641			40%	641	106%	20,529	4%	63			4%	63
		Upl Management Dmcc	4%	889	20%	567			35%	567	1%	149	-2%	(29)			-2%	(29)
		Upl Limited Mauritius	7%	1,553	14%	391			24%	391	6%	1,106	34%	608			38%	608
		Advanta Seeds International, Mauritius	5%	1,089	5%	130			8%	130	5%	977	8%	143			9%	143
		Advanta Seeds Dmcc [Formerly Advanta Seeds Jlt], Uae	1%	146	0%	(4)			0%	(4)	1%	156	-1%	(12)			-1%	(12)
		Advanta Biotech General Trading Ltd	0%	(0)		2				2								
		Upl Limited,Gibraltor (Formerly Known As Uniphos Limited,Gibraltor)	0%	14	-115%	(3,292)			-204%	(3,292)	18%	3,554	19%	336			21%	336
		Arysta Lifescience (Mauritius) Ltd	1%	307	1%	19			1%	19	2%	294	2%	36			2%	36
		UPL Mauritius Limited	0%	0		0				0								
		Upl Agro Sa De Cv.(Formerly Known As United Phosphorus De Mexico, S.A. De C.V.)	-1%	(183)	-10%	(286)			-18%	(286)	0%	(72)	-4%	(71)			-4%	(71)
		Arysta Lifescience Mexico, S.A.De C.V	1%	228	1%	35			2%	35	1%	159	-6%	(106)			-7%	(106)

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42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 (CONTD.)

Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Arysta Lifescience Mexico Holding S.A.De C.V	0%	-	7%	204			13%	204	0%	(3)	0%	(1)			0%	-1
		Decco Postharvest Mexico (Formerly Known As Decco Jifkins Mexico Sapi)	0%	(11)	0%	1			0%	1	0%	(11)	0%	(0)			0%	-0
		Bioenzymas S.A. De C.V.	0%	-	0%	1			0%	1	0%	12	0%	2			0%	2
		Desarrollos Inmobiliarios Alianza De Coahuila, S.A. De C.V.	0%	36	0%	2			0%	2	0%	0	0%	(0)			0%	(0)
		Grupo Bioquimico Mexicano, S.A. De C.V.	2%	514	1%	16			1%	16	2%	322	4%	66			4%	66
		Agroquimicos Y Semillas, S.A. De C.V.	0%	-	0%	1			0%	1	0%	16	0%	2			0%	2
		Omega Agroindustrial, S.A. De C.V.	0%	20	0%	9			1%	9	0%	9	0%	2			0%	2
		Servicios Agricolas Mundiales Sa De Cv	0%	8	0%	(0)			0%	(0)	0%	8	0%	1			0%	1
		Tecno Extractos Vegetales, S.A. De C.V.	0%	-	0%	4			0%	4	1%	100	1%	16			1%	16
		Tesaurus Mexico S.A. De C.V.	0%	-	0%	(0)			0%	(0)	0%	0	0%	-			0%	-
		Advanta Commercio De Sementes Ltda,Brazil	-1%	(145)	-4%	(108)			-7%	(108)	0%	(70)	-5%	(88)			-5%	(88)
		Perrey Participações S.A	0%	5	0%	0			0%	0	0%	6	0%	(0)			0%	(0)
		Uniphos Industria E Comercio De Produtos Quimicos Ltda.	0%	8	0%	(0)			0%	(0)	0%	9	0%	(2)			0%	(2)
		Upl Do Brasil - Industria E Comércio De Insumos Agropecuários S.A.	-7%	(1,429)	-16%	(457)			-28%	(457)	-6%	(1,174)	-21%	(382)			-24%	(382)
		Volcano Agrociencia Industria E Comercio De Defensivos Agricolas Ltda	0%	-	0%	-			0%	-	0%	-	0%	(1)			0%	(1)
		Arysta Lifescience Centroamerica, S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Lifescience De Guatemala, S.A.	0%	17	0%	7			0%	7	0%	15	0%	3			0%	3
		Industrias Agriphar Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Lifescience Corporation Republica Dominicana, Srl	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Grupo Bioquimico Mexicano Republica Dominicana Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Upl Costa Rica S.A.	0%	(8)	0%	7			0%	7	0%	(8)	1%	12			1%	12
		Arysta Lifescience S.R.L.	0%	47	0%	(2)			0%	(2)	0%	52	0%	3			0%	3
		Upl Bolivia S.A	0%	(13)	1%	19			1%	19	0%	(36)	-1%	(19)			-1%	(19)
		Arysta Lifescience Paraguay S.R.L.	0%	23	0%	(11)			-1%	(11)	0%	16	0%	(6)			0%	(6)
		Arvesta Paraguay S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Icona Sanluis S A - Argentina	0%	(1)	0%	0			0%	0	0%	(1)	1%	24			1%	24

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42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 (CONTD.)

Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		UPL Paraguay S.A.	0%	27	0%	8			0%	8	0%	24	2%	27			2%	27
		Advanta Semillas Saic, Argentina	0%	-	0%	-			0%	-	1%	139	5%	81			5%	81
		Arysta Lifescience Costa Rica Sa.	0%	(3)	0%	1			0%	1	0%	(4)	0%	(3)			0%	(3)
		Agriphar De Costa Rica Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Agroquimicos Y Fertilzantes Uruguay Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Advanta Semillas SAIC, Argentina	1%	221	2%	47				47								
		Arysta Lifescience Ecuador S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta-Lifescience Ecuador S.A.	0%	13	0%	1			0%	1	0%	14	0%	3			0%	3
		Industrias Bioquim Centroamericana, Sociedad Anónima	1%	167	0%	10			1%	10	1%	174	0%	(6)			0%	(6)
		Procultivos, Sociedad Anónim	0%	-	0%	(0)			0%	(0)	0%	2	0%	0			0%	0
		Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. June 26, 2019)	0%	-	0%	0			0%	0	0%	1	0%	0			0%	0
		Bioquim, Sociedad Anónima	0%	-	0%	-			0%	-	0%	0	0%	-			0%	-
		Bioquim Panama, Sociedad Anónima	0%	(2)	0%	(0)			0%	(0)	0%	(2)	0%	(0)			0%	(0)
		UPL Nicaragua, Sociedad Anónima (FKA Bioquim Nicaragua, Sociedad Anónima)	0%	(14)	0%	(7)			0%	(7)	0%	(8)	0%	(2)			0%	(2)
		Upl Argentina S A (Formerly Known As Icona S A - Argentina)	0%	43	-2%	(64)			-4%	(64)	0%	(75)	-8%	(135)			-8%	(135)
		Arysta Lifescience Argentina S.A.	0%	-	0%	-			0%	-	1%	159	-2%	(34)			-2%	(34)
		Decco Chile Spa	0%	24	0%	(2)			0%	(2)	0%	20	0%	4			0%	4
		Arysta Lifescience Chile S.A.	2%	481	4%	102			6%	102	2%	420	4%	76			5%	76
		Arysta Lifescience Peru S.A.C	0%	-	0%	-			0%	-	0%	3	0%	1			0%	1
		Arysta Lifescience Do Brasil Indústria Química E Agropecuária Sa	0%	(0)	0%	-			0%	-	0%	(0)	11%	197			12%	197
		Upl Colombia Sas(Formerly Known As Evofarms Colombia Sa)	0%	60	1%	21			1%	21	0%	33	1%	18			1%	18
		Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	0%	0	0%	-			0%	-	0%	0	0%	-			0%	-
		Nutriquim De Guatemala, Sociedad Anónima	0%	0	0%	-			0%	-	0%	0	0%	-			0%	-
		Arysta Lifescience Colombia S.A.S	0%	89	0%	(6)			0%	(6)	1%	98	0%	(6)			0%	(6)
		Agriphar De Colombia Sas	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta LifeScience Peru S.A.C	0%	3	0%	1			0%	1	0%	-	0%	-			0%	-
		INGEAGRO S.A	0%	15	0%	2			0%	2	0%	-	0%	-			0%	-
		Uniphos Colombia Planta Ltd.	2%	405	2%	51			3%	51	0%	-	0%	-			0%	-

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for the year ended March 31, 2021

42. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 (CONTD.)

Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		United Phosphorus Cayman Limited	-1%	(246)	0%	2			0%	2	1%	107	2%	44			3%	44
		Up Aviation Limited,Cayman Island	0%	18	0%	(1)			0%	(1)	0%	20	0%	0			0%	0
		UPL Australia Pty Limited (Formerly known as UPL Austarlia Limited)	-1%	(210)	0%	14			1%	14	-1%	(167)	-16%	(285)			-18%	(285)
		Arysta Lifescience Australia Pty. Ltd.	0%	104	0%	11			1%	11	0%	77	0%	2			0%	2
		Macdermid Agricultural Solutions Australia Pty. Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Upl New Zealand Limited (Formerly Known As United Phosphorus Limited, New Zealand)	0%	-	0%	(0)			0%	(0)	0%	4	0%	0			0%	0
		UPL New Zealand Limited (FKA Etec Crop Solutions Limited)	0%	67	0%	(3)			0%	(3)	0%	59	1%	14			1%	14
		Hannaford Nurture Farm Exchange Pty. Ltd.	0%	(1)		(1)				(1)								
		Upl Shanghai Ltd. (Formerly Known As United Phosphorus (Shanghai) Company Limited)	0%	5	1%	19			1%	19	0%	(9)	-1%	(18)			-1%	(18)
		Upl Jiagnsu Limited	0%	23	0%	(1)			0%	(1)	0%	20	0%	(0)			0%	(0)
		Arysta Lifescience (Shanghai) Co., Ltd.	0%	0	0%	(13)			-1%	(13)	0%	12	-2%	(29)			-2%	(29)
		Advanta Seeds Pty. Ltd., Australia	1%	300	1%	38			2%	38	1%	209	-1%	(26)			-2%	(26)
		Macdermid (Shanghai) Chemical Ltd.	0%	-	0%	1			0%	1	0%	7	0%	(0)			0%	(0)
		Laoting Yoloo Bio-Technology Co. Ltd	1%	184	-2%	(67)				(67)								
		Upl Limited Korea Co.Ltd. (Formerly Known As United Phosphorus (Korea) Limited)	0%	-	0%	(2)			0%	(2)	0%	3	0%	2			0%	2
		UPL Limited Korea (FKA Arysta LifeScience Korea Ltd.)	0%	15	1%	21			1%	21	0%	(4)	0%	(3)			0%	(3)
		Anhui Yoloo Hexie Plant Protection Co. Ltd.	0%	-		(0)				(0)								
		Arysta Lifescience Pakistan (Pvt.) Ltd.	0%	53	0%	13			1%	13	0%	39	1%	16			1%	16
		Pacific Seeds (Thai) Ltd, Thailand	3%	685	3%	100			6%	100	3%	563	4%	78			5%	78
		Myanmar Arysta Lifescience Co., Ltd.	0%	84	0%	(2)			0%	(2)	0%	91	1%	9			1%	9
		Pacific Seeds Holdings (Thai) Ltd., Thailand	0%	(0)	0%	(0)			0%	(0)	0%	4	0%	(0)			0%	(0)
		Arysta Lifescience (Thailand) Co., Ltd.	0%	45	0%	4			0%	4	0%	51	0%	(2)			0%	(2)
		Chemtura (Thailand) Ltd	0%	-	0%	(0)			0%	(0)	0%	0	0%	(4)			0%	(4)
		Pt.Upl Indonesia (Formerly Known As Pt. United Phosphorus Indonesia)	0%	(11)	0%	(6)			0%	(6)	0%	(6)	0%	(5)			0%	(5)
		Pt Catur Agrodaya Mandiri, Indonesia	0%	(4)	0%	3			0%	3	0%	(6)	0%	5			0%	5

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								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		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
		Pt. Advanta Seeds Indonesia	0%	(57)	-1%	(38)			-2%	(38)	0%	(26)	0%	(7)			0%	(7)
		Pt. Arysta Lifescience Tirta Indonesia	0%	34	0%	4			0%	4	0%	28	0%	2			0%	2
		Upl Limited,Hong Kong (Formerly Known As United Phosphorus Limited, Hongkong)	1%	206	3%	72			4%	72	1%	275	2%	43			3%	43
		UPL Agro Ltd	0%	(0)	0%	(1)			0%	(1)	0%	0	0%	-			0%	-
		Upl Philippines Inc.(Formerly Known As United Phosphorus Corp. Philippines)	0%	2	0%	(3)			0%	(3)	0%	9	0%	6			0%	6
		Arysta Lifescience Philippines Inc.	0%	(58)	0%	(1)			0%	(1)	0%	(58)	0%	(3)			0%	(3)
		Upl Vietnam Co. Ltd(Formerly Known As United Phosphorus Vietnam Co., Limited)	1%	140	1%	32			2%	32	1%	127	1%	11			1%	11
		Arysta Lifescience Vietnam Co., Ltd.	0%	78	0%	2			0%	2	0%	80	0%	(2)			0%	(2)
		Uniphos Malaysia Sdn Bhd	0%	2	0%	0			0%	0	0%	2	0%	0			0%	0
		Agriphar Sdn Bhd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Arysta Health And Nutrition Sciences Corporation	0%	76	2%	57			4%	57	0%	28	-23%	(417)			-26%	(417)
		Arysta Lifescience Corporation	-21%	(4,335)	-3%	(73)			-5%	(73)	-24%	(4,553)	-29%	(516)			-32%	(516)
		Arysta Lifescience Japan Holdings Goudou Kaisha	0%	(0)	0%	(0)			0%	(0)	0%	(0)	0%	(0)			0%	(0)
		UPL Limited, Japan	-11%	(2,341)	26%	748			46%	748	-17%	(3,246)	-8%	(145)			-9%	(145)
		Anning Decco Fine Chemical Co. Limited, China	0%	41	0%	4			0%	4	0%	35	0%	3			0%	3
		Arysta Lifescience Asia Pte. Ltd.	0%	47	0%	0			0%	0	0%	48	0%	(3)			0%	(3)
		Riceco International Bangladesh Limited	0%	12	0%	6			0%	6	0%	7	0%	1			0%	1
		Upl Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi (Formerly Known As Cerexagri Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi, Turkey)	0%	(22)	-2%	(66)			-4%	(66)	0%	16	-2%	(42)			-3%	(42)
		Upl Agromed Tohumculuk Sa, Turkey	0%	(21)	0%	(6)			0%	(6)	0%	(20)	0%	(9)			-1%	(9)
		Decco Gida Tarım Ve Zirai Ürünler San. Tic A.S.	0%	5	0%	2			0%	2	0%	6	0%	(1)			0%	(1)
		Arysta Lifescience Turkey Tarim Urunleri Limited Sirketi	0%	-	0%	(0)			0%	(0)	0%	0	0%	(0)			0%	(0)
		Safepack Products Limited,Isreal	0%	13	0%	(6)			0%	(6)	0%	19	-1%	(12)			-1%	(12)
		Agrifocus Limitada	1%	139	1%	32			2%	32	1%	112	1%	16			1%	16

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Sr. No.	Particulars	Name of the Entity in the Group	March 31, 2021								March 31, 2020							
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			%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
		Citrashine (Pty) Ltd, South Africa(Foremrly Known As Friedshelf 1114 (Pty) Ltd,South Africa)	0%	(3)	0%	1			0%	1	0%	(3)	0%	0			0%	0
		Anchorprops 39 (Pty) Ltd	0%	(2)	0%	(0)			0%	(0)	0%	(2)	0%	0			0%	0
		Arysta Lifescience Holdings Sa (Pty) Ltd	0%	(86)	0%	(2)			0%	(2)	0%	(71)	0%	(2)			0%	(2)
		Callietha Investments (Pty) Ltd	0%	(0)	-1%	(15)			-1%	(15)	0%	14	0%	-			0%	-
		Volcano Agroscience (Pty) Ltd	1%	152	0%	13			1%	13	1%	111	1%	20			1%	20
		UPL South Africa (Pty) Ltd	1%	123	3%	75			5%	75	0%	50	0%	(4)			0%	(4)
		Volcano Chemicals (Pty) Ltd	0%	-	0%	(0)			0%	(0)	0%	0	0%	(0)			0%	(0)
		Kempton Chemicals (Pty) Ltd	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Sidewalk Trading (Pty) Ltd	0%	(0)	0%	(0)			0%	(0)	0%	(0)	0%	(0)			0%	(0)
		Arysta Lifescience Kenya Ltd.	0%	(8)	0%	0			0%	0	0%	2	0%	(6)			0%	(6)
		Arysta Lifescience Tanzania Ltd	0%	(7)	0%	(0)			0%	(0)	0%	(6)	0%	(3)			0%	(3)
		Arysta Lifescience Cameroun Sa	0%	(5)	0%	4			0%	4	0%	(6)	0%	(7)			0%	(7)
		UPL Zambia Ltd	0%	0		-				-								
		Prolong Limited	0%	0	0%	-			0%	-	0%	0	0%	0			0%	0
		UPL Egypt Ltd (FKA Arysta LifeScience Egypt Ltd)	0%	1	0%	(2)			0%	(2)	0%	3	0%	(0)			0%	(0)
		UPL Togo SAU	0%	(1)	0%	(1)			0%	(1)	0%	1	0%	(2)			0%	(2)
		Calli Ghana Ltd.	0%	(4)	0%	2			0%	2	0%	(6)	0%	4			0%	4
		Callivoire Sgfd S.A.	0%	32	0%	0			0%	0	0%	41	-1%	(11)			-1%	(11)
		Mali Protection Des Cultures (M.P.C.) Sa	0%	(4)	0%	(13)			-1%	(13)	0%	9	0%	1			0%	1
		Veto-Pharma Sa	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Wyjolab S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Dva Technology Argentina S.A.	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Macdermid (Nanjing) Chemical Ltd.	0%	-	0%	-			0%	-	0%	-	0%	(5)			0%	(5)
3	Non-controlling interest		-18%	(3,693)	-22%	(625)			-39%	(625)	-17%	(3,312)	-23%	(402)			-25%	(402)

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			%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
4	Associates																	
	Indian																	
		Kerala Enviro Infrastructure Limited	0%	6	0%	0			0%	0	0%	6	0%	1			0%	1
		Weather Risk Management Private Ltd	0%	10	0%	(1)			0%	(1)	0%	11	0%	(2)			0%	(2)
				-	0%	-			0%	-	0%		0%				0%	
	Foreign	3Sb Produtos Agrícolas S.A. (45%)	0%	61	0%	4			0%	4	0%	65	-1%	(9)			-1%	(9)
		Sinagro Produtos Agropecuários S.A. (45%)	0%	-	0%	-			0%	-	0%	-	0%	-			0%	-
		Seara Bonita Sementes S.A. (33.33%)	1%	145	0%	13			1%	13	1%	158	0%	4			0%	4
		Agri Fokus (Pty.) Ltd.	0%	7	0%	2			0%	2	0%	4	0%	1			0%	1
		Novon Retail Company (Pty.) Ltd.	0%	8	0%	1			0%	1	0%	6	0%	(0)			0%	(0)
		Agronamic (Pty.) Ltd.	0%	5	0%	(0)			0%	(0)	0%	4	0%	(0)			0%	(0)
		Novon Protecta (Pty) Ltd	0%	8	0%	0			0%	0	0%	6	0%	(1)			0%	(1)
		Silvix Forestry (Pty.) Ltd.	0%	0	0%	0			0%	0	0%	0	0%	0			0%	0
		Nexus Ag (Pty) Ltd	0%	13	0%	2			0%	2	0%	9	0%	1			0%	1
		Dalian Advanced Chemical Co.Ltd.	0%	-	0%	-			0%	-	0%	1	0%	(0)			0%	(0)
		Société Des Produits Industriels Et Agricoles	0%	14	0%	1			0%	1	0%	13	0%	1			0%	1
		Eswatini Agricultural Supplies Limited	0%	2	0%	0				0								
5	Joint Venture																	
	Foreign	Hodagaya UPL Co. Limited	0%	25	0%	3			0%	3	0%	28	0%	4			0%	4
		Longreach Plant Breeders Management Pty. Limited	0%	76	1%	17			1%	17	0%	49	0%	2			0%	2
									0%								0%	
6	Other Comprehensive Income						100%	(683)	-42%	(683)					100%	(160)	-10%	(160)
		Total	**100%**	**20,887**	**100%**	**2,871**	**100%**	**(683)**	**126%**	**2,189**	**100%**	**19,282**	**100%**	**1,776**	**100%**	**(160)**	**100%**	**1,616**

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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.

These contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions.

Particulars		March 31, 2021 (In '000)	March 31, 2021 (₹ in crore)	March 31, 2020 (In '000)	March 31, 2020 (₹ in crore)	
Nature of Instrument	**Currency**	Amount outstanding	Amount outstanding	**Amount outstanding**	**Amount outstanding**	**Purpose - Hedging/ Speculation**
(a) Forward contracts - Sell	USD	2,25,909	1,652	1,75,905	1,331	Hedging
Forward contracts - Sell	AUD	6,113	34	8,058	37	Hedging
Forward contracts - Sell	EUR	18,150	156	28,153	233	Hedging
Forward contracts - Sell	CAD	20,000	116	21,000	111	Hedging
Forward contracts - Sell	NZD	550	3	330	1	Hedging
Forward contracts - Sell	GBP	-	-	3,200	30	Hedging
Forward contracts - Sell	JPY	-	-	5,76,728	40	Hedging
Forward contracts - Sell	CLP	11,83,480	12	14,19,024	13	Hedging
Forward contracts - Sell	PLN	3,500	6	-	-	Hedging
Forward contracts - Buy	USD	9,19,010	6,719	4,97,028	3,761	Hedging
Forward contracts - Buy	USD	5,99,938	4,386	-	-	Hedging (Refer Note 2 below)
Forward contracts - Buy	EUR	47,026	404	23,619	196	Hedging
Forward contracts - Buy	JPY	21,12,834	140	-	-	Hedging
Forward contracts - Buy	GBP	700	7	-	-	Hedging
Forward contracts - Buy	CZK	14,399	5	-	-	Hedging
Forward contracts - Buy	HUF	29,00,000	69	23,00,000	53	Hedging
(b) Derivative contracts						
(i) Full Currency Interest Rate Swap contracts - Buy	USD	5,88,728	4,304	30,000	227	Hedging
Full Currency Interest Rate Swap contracts - Sell	USD	-	-	-	-	Hedging (Refer Note 1 below)
Full Currency Interest Rate Swap contracts - Buy	USD	2,100	15			
Full Currency Interest Rate Swap contracts - Sell	USD	-	-	-	-	Hedging (Refer Note 1 below)

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43. HEDGING ACTIVITIES AND DERIVATIVES (CONTD.)

Particulars		March 31, 2021 (In '000)	March 31, 2021 (₹ in crore)	March 31, 2020 (In '000)	March 31, 2020 (₹ in crore)	
Nature of Instrument	Currency	Amount outstanding	Amount outstanding	Amount outstanding	Amount outstanding	Purpose - Hedging/ Speculation
(ii) Cross Currency Interest Rate Swaps on Loans Payable	EUR	13,28,872	11,409	13,28,872	11,014	Hedging (Refer Note 1 below)
Cross Currency Interest Rate Swaps on Loans Payable	JPY	4,43,00,000	2,927	4,43,00,000	3,087	Hedging (Refer Note 1 below)
Note 1:-						
Hedging against the underlying ₹ 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.						
Note 2:-						
Hedging against the underlying USD linked Sales Orders and probable sales returns in Brazll						
(c) Un-hedged Foreign Currency Exposure on:						
1 Payables	USD	9,01,711	6,592	10,62,702	8,041	
(including Foreign Currency payable in respect of	EUR	2,16,751	1,861	3,94,466	3,269	
derivative contracts as mentioned in (b) (ii & iii) above)	GBP	5,675	57	10,111	94	
	JPY	3,54,049	23	8,08,845	56	
	CHF	809	6	474	4	
	DKK	263	0	2,735	3	
	CLP	74,500	1	-	-	
	AED	2,205	4	115	0	
	NZD	11,25,321	113			
	INR	122	0	338	0	
	PLN	547	3	11	0	
	CAD	-	-	-	-	
	BRL	26,783	5	-	-	
	MUR	396	2	53	0	
	AUD	-	-	14,113	65	
	COP	5,49,098	44	-	-	
	ARS	38,265	13	-	-	

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43. HEDGING ACTIVITIES AND DERIVATIVES (CONTD.)

Particulars		March 31, 2021 (In '000)	March 31, 2021 (₹ in crore)	March 31, 2020 (In '000)	March 31, 2020 (₹ in crore)	
Nature of Instrument	Currency	Amount outstanding	Amount outstanding	Amount outstanding	Amount outstanding	Purpose - Hedging/ Speculation
	CZK	3,028	0	26,575	8	
	HUF	1,56,559	2	-	-	
	CFA/XOF	-	-	2,63,384	3	
	TRY	3,583	2	-	-	
	ZAR	1,84,507	0	-	-	
	PYG	-	-	2,23,048	0	
	HRK	3	0	25	0	
	BGN	663	1	9	0	
	CNY	-	-	711	1	
	MYR	1,65,798	185	0	0	
	RMB	36	0	0	0	
	SEK	-	-	10	0	
	TZS	2,631	0	4,180	0	
	KES	11,321	0			
	KZT	5,523	2			
	MXN	407	1			
	RON	21,122	5			
	THB	48,797	1			
	XAF	15	0			
	ZMW					
2 Receivable	USD	8,34,689	6,102	7,72,614	5,846	
	EUR	82,119	705	2,11,163	1,750	
	GBP	16,589	167	13,496	126	
	JPY	8,46,671	56	6,49,24,690	4,524	
	CHF	155	1	316	2	
	DKK	298	0	-	-	
	CLP	-2,98,758	-3	4,59,426	4	
	AED	126	0	1,003	2	

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43. HEDGING ACTIVITIES AND DERIVATIVES (CONTD.)

Particulars		March 31, 2021 (In '000)	March 31, 2021 (₹ in crore)	March 31, 2020 (In '000)	March 31, 2020 (₹ in crore)	
Nature of Instrument	Currency	Amount outstanding	Amount outstanding	Amount outstanding	Amount outstanding	Purpose - Hedging/ Speculation
	NZD	-219	-1	24	0	
	PLN	1,326	2	4,796	9	
	CAD	31,584	184	2,04,785	1,087	
	AUD	8,702	48	6,589	30	
	COP	47,87,012	10	82,12,950	15	
	ARS	13,46,325	107	4,20,380	49	
	CFA/XOF	87,793	1	-	-	
	ZAR	5,70,101	282	5,72,158	242	
	PYG	18,999	0	-	-	
	RON	-	-	2,927	5	
	RUB	-	-	0	0	
	BRL	63	0	63	0	
	ETB	-	-	2,695	1	
	HUF	422	0	512	0	
	IDR	63,679	0	63,679	0	
	MUR	-	-	311	0	
	PHP	33	0	33	0	
	PKR	-	-	2,25,318	10	
	TZS	22,525	0	-	-	
	SEK	10	0	-	-	
	RMB	0	0	-	-	
	MXN	9,118	3	-	-	
	MAD	208	0	-	-	
	INR	11,13,850	111	-	-	
	HRK	3	0	-	-	
	TRY	40	0	40	0	

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NOTE 44: CATERGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Particulars		Non-Current		Current	
	Refer Note	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A) Accounting, classification and Fair Value:					
Investments accounted for using the equity method	5	380	360	-	-
Financial assets measured at fair value through profit or loss (FVTPL)					
Investments in others (unsecured)	5	7	9	-	-
Investments in unquoted equity shares	5	18	17	-	-
Investments in unquoted optionally convertible bonds	5	9	71	-	-
Forward exchange contract (net)					
Derivative contracts (net)	7	-	79	233	499
		34	**176**	**233**	**499**
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares	5	116	77	-	-
Investments in unquoted equity shares	5	50	24	37	-
		166	**101**	**37**	**-**
Financial assets measured at amortised cost					
Investments in unquoted government securities					
Investments unquoted in debentures or bonds					
Security Deposits	6	96	89	43	26
Loans and advances to related party	6	85	68	0	0
Loans to employees	6	-	-	3	5
Sundry loans	6	-	-	9	10
Finance lease receivables					
Trade receivables	10	435	190	12,591	11,867
Interest Receivable	7	-	-	33	11
Export benefit receivables	7	33	35	159	226
Subsidy receivable from state government					
Interest accrued on investments in debentures or bonds measured at FVTOCI		-	-	-	-
Interest accrued on sundry deposits		-	-	-	-
Quantity discount receivable		-	-	-	-
Term deposits held as margin money against bank guarantee and other commitments		-	-	-	-
Bank deposits with more than 12 months of original maturity		-	-	-	-
Cash and cash equivalents	11	-	-	4,797	6,724
Other bank balances	11A	-	-	56	28
Other advances	7	4	9	31	65
		653	**391**	**17,722**	**18,961**
Financial liabilities measured at fair value through profit or loss (FVTPL)					
Derivative contracts	16	581	-	120	-
Payable towards acquisition of subsidiary	16	180	-	-	-
		761	**-**	**120**	**-**
Financial liabilities measured at amortised cost					
Interest free loan from financial institution – (Sales tax deferment – State of Uttar Pradesh)					
Redeemable Non-convertible Debentures (Unsecured)	15	384	458	-	-
Bonds (Unsecured)					
- 3.25% Senior Notes	15	-	3,761	-	-
- 4.50% Senior Notes	15	2,111	2,247	-	-
- 4.625% Senior Notes	15	3,353	-	-	-

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NOTE 44: CATERGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTD).

Particulars	Refer Note	Non-Current As at March 31, 2021	Non-Current As at March 31, 2020	Current As at March 31, 2021	Current As at March 31, 2020
From Bank					
- Foreign currency loan (Unsecured)	15	12,666	20,880	-	-
- Sustainability linked Foreign currency loan (Unsecured)	15	3,608	-	-	-
- Foreign currency loan (Secured)	15	-	-	302	335
- Others borrowings	15	19	18	687	713
Long-term maturities of finance lease Liabilities					
- Obligations under finance leases	15	5	7	-	-
Commercial Papers	15	-	-	150	-
Discounted Trade receivables (Unsecured) - Factoring with recourse	15	-	-	275	250
Current maturities of long term borrowings	16	-	-	108	33
Payable towards acquisition of subsidiary	16	26	42	7	2
Capital goods creditors	16	-	-	123	178
Interest accrued and not due on borrowings	16	-	-	105	110
Trade Deposits	16	-	-	72	68
Trade payables	19	-	-	12,525	10,233
Unpaid dividend	16	-	-	9	8
Current maturities of long term lease Liabilities	16	-	-	2	2
Others	16	11	3	313	337
Accured Payable	16	-	-	486	375
Employee benefits payables	16	-	-	490	542
		22,183	**27,416**	**15,654**	**13,185**

(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 Group 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 Group does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

Notes to Consolidated Financial Statements

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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, 2021:

₹ in crore

Particulars	Date of valuation	Total	Fair value measurement using: 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):					
Investments in equity instruments (Quoted)	March 31, 2021	116	116	-	-
Others (Unquoted)	March 31, 2021	50	-	-	50
FVTPL financial investments (Note 5):					
Investments in equity instruments (Unquoted)	March 31, 2021	18	-	-	18
Investments in Optionally Convertible Bonds (Unquoted)	March 31, 2021	46	-	-	46
Investments in Others (Unquoted)	March 31, 2021	7	-	-	7
FVTPL Derivative Contracts (Note 7):					
Derivative contracts	March 31, 2021	233	-	233	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

₹ in crore

Particulars	Date of valuation	Total	Fair value measurement using: 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):					
Investments in equity instruments (Quoted)	March 31, 2020	77	77	-	-
Others (Unquoted)	March 31, 2020	24	-	-	24
FVTPL financial investments (Note 5):					
Investments in equity instruments (Unquoted)	March 31, 2020	17	-	-	17
Investments in Optionally Convertible Bonds (Unquoted)	March 31, 2020	71	-	-	71
Investments in Others (Unquoted)	March 31, 2020	9	-	-	9
FVTPL Derivative Contracts (Note 7):					
Derivative contracts	March 31, 2020	578	-	578	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

₹ in crore

Particulars	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities at fair value through profit or loss/other comprehensive income:					
Derivative financial liabilities (Note 16):					
Derivative contracts	March 31, 2021	702	-	702	-
Payable towards acquisition of subsidiary (Note 16)	March 31, 2021	180	-	-	180

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45. FAIR VALUE HIERARCHY (CONTD).

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

₹ in crore

Particulars	Date of valuation	Total	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities at fair value through profit or loss/other comprehensive income:					
Derivative financial liabilities (Note 16):					
Derivative contracts	March 31, 2020	-	-	-	-

As on March 31, 2021, 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

Particulars	March 31, 2021	March 31, 2020
Opening balance	121	162
Acquisition	24	12
Disposal	(26)	(59)
Foreign exchange movement	3	6
Closing balance	**121**	**121**

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 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.

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

Fixed rate instruments	March 31, 2021	March 31, 2020
Borrowings from banks and other financial institutions	20,522	21,306
	20,522	**21,306**

Notes to Consolidated Financial Statements
for the year ended March 31, 2021

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD).

₹ in crore

Variable rate instruments	March 31, 2021	March 31, 2020
Borrowings from banks and other financial institutions	3,146	7,396
	3,146	**7,396**

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
March 31, 2021			
USD & EUR	+50	(14)	(12)
	-50	14	11
Others	+100	(4)	(3)
	-100	4	3
March 31, 2020			
USD	+50	(36)	(28)
	-50	36	28
Others	+100	(2)	(2)
	-100	2	2

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, 2021, 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
March 31, 2021	1%	(5)	(4)
	-1%	5	4
March 31, 2020	1%	(22)	(17)
	-1%	22	17

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD).

₹ in crore

	Change in EURO rate	Effect on profit or loss	Effect on equity
March 31, 2021	1%	(12)	(10)
	-1%	12	10
March 31, 2020	1%	(15)	(12)
	-1%	15	12

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:

March 31, 2021

	Trade receivables Days past due							
	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	122	19	34	18	764	957		957
Averge %	1.10%	2.77%	6.80%	14.77%	69.31%			

March 31, 2020

	Trade receivables Days past due							
	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
Averge %	2.99%	3.90%	10.43%	17.15%	57.13%			

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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, 2021 and March 31, 2020 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

	Carrying amount	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2021					
Borrowings (Refer Note 15)	23,668	1,414	20,144	5,534	27,092
Other financial liabilities (Refer Note 16)	1,822	1,607	216	-	1,822
Trade and other payables (Refer Note 19)	12,525	12,525	-	-	12,525
Derivative contracts (Refer Note 16)	701	120	581	-	701
Lease Liabilities (Refer Note 49)	736	178	709	-	887
	39,453	**15,843**	**21,649**	**5,534**	**43,026**

₹ in crore

	Carrying amount	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2020					
Borrowings (Refer Note 15)	28,702	1,298	24,908	6,053	32,509
Other financial liabilities (Refer Note 16)	1,666	1,621	45	-	1,666
Trade and other payables (Refer Note 19)	10,233	10,233	-	-	10,233
Derivative contracts (Refer Note 16)	-	-	-	-	-
Lease Liabilities (Refer Note 49)	682	98	685	-	783
	41,283	**13,250**	**25,638**	**6,053**	**45,191**

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 then 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD).

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.

Particulars	Currency	March 31, 2021			March 31, 2020		
		Average FX rate	Average interest rate	Notional Value	Average FX 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, 2021				March 31, 2020			
		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									
- Cross currency interest rate swap	EUR	-	-	-	-	13,28,870	162	147	(147)
	JPY	4,43,00,000	1,388	11,543	(11,543)	-	-	-	-
Liabilities									
Cash flow hedge									
Foreign exchange contracts									
- Cross currency interest rate swap	EUR	13,28,870	(80,913)	(1,02,304)	1,02,304	-	-	-	-
- Cross currency interest rate swap	JPY	-	-	-	-	4,43,00,000	(77)	(80)	80

** used as the basis for hedge ineffectiveness*

Cash flow hedges	March 31, 2021				March 31, 2020			
	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								
- Cross currency interest rate swap	(561)	728	Forex gain/(loss)	Other financial assets (Non-current and Current)	407	(210)	Forex gain/(loss)	Other financial assets (Non-current and Current)
		(88)	Interest on borrowing			(330)	Interest on borrowing	

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD).

Reconciliation of reserves

Cash flow hedge reserves

Particulars	March 31, 2021	March 31, 2020
Opening balance	(178)	(62)
Hedging gain or loss	(561)	407
Amount reclassified to P&L because the hedged item affected P&L	640	(540)
Foreign exchange movement	(13)	17
Closing balance	**(112)**	**(178)**

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, 2021 and March 31, 2020.

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

	March 31, 2021	March 31, 2020
Borrowings (Note 15)	23,668	28,702
Less: Cash and cash equivalents (Note 11)	(4,797)	(6,724)
Net debt	**18,871**	**21,978**
Equity	24,580	22,594
Total capital	24,580	22,594
Capital and net debt	**43,452**	**44,573**
Gearing ratio	**43%**	**49%**

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

48. LEASES

The Group has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 1 and 20 years, while motor vehicles and other equipment generally have lease terms between 1 and 10 years. The Group 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.

i. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

₹ in crore

	Land and Buildings *	Plant and Machinery	Vehicles	Office equipment	Total
Adoption of Ind AS 116 "Leases" (as on April 1, 2019)	417	8	149	7	580
Additions to right-of-use assets	245	8	31	4	288
Depreciation charge for the year	(112)	(4)	(71)	(3)	(190)
Derecognition of right-of-use assets	(32)	-	(3)	(0)	(35)
Balance at March 31, 2020	**518**	**12**	**106**	**7**	**642**
Additions to right of use assets	167	25	78	3	273
Deletions of right of use assets	(3)	(0)	(1)	0	(4)
Amortisation of right of use assets	(140)	(7)	(70)	(5)	(222)
Foreign exchange impact	2	2	1	0	5
Balance at March 31, 2021	**544**	**31**	**114**	**5**	**695**

** Leasehold land is included under Note 3 Property, plant and equipment.*

ii. Set out below are the carrying amounts of lease liabilities and the movements during the period:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Current	156	96
Non-current	580	586
Total lease liability	**736**	**682**

iii. Maturity analysis of lease liability - undiscounted contractual cash flows:

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Less than one year	178	98
One to three years	340	238
More than three years	369	447
Total undiscounted cash flows	**887**	**783**

iv. Amount recognised in profit or loss

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Other income		
Income from sub-leasing right-of-use assets presented in 'other revenue'	-	-
General and administrative expenses		
Short-term lease rent expense	83	103
Low value asset lease rent expense	0	1
Variable lease rent expense	6	4
Other lease expense (additional cost)		3

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

48. LEASES (CONTD).

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Depreciation and impairment losses		
Depreciation of right of use lease asset	232	190
Impairment losses of right of use lease asset	-	0
Finance cost		
Interest expense on lease liability	51	45
Currency translation gains on lease liability	-	(0)
Currency translation losses on lease liability	-	0
	372	**347**

v. Amount recognised in statement of cash flows

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Total cash outflow for leases	**282**	**189**

vi. Lease commitments for short-term leases

₹ in crore

Particulars	March 31, 2021	March 31, 2020
Lease commitments for short-term leases	-	5

49. INCOME TAX

On January 22, 2020, the Income Tax Department conducted searches at the premises of the Parent. Subsequently, the Parent received notices under the Income Tax Act for filing the Income Tax Returns/revised returns for past years. In compliance to said notices, the Parent has filed its return of Income. Further, the Income Tax Department has issued notices to the Parent calling for certain preliminary information. The Parent is in the process of responding to the above notices and does not expect any significant financial or reporting implications to emerge out of this matter.

50. CODE ON SOCIAL SECURITY, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Parent towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Parent is in the process of carrying out the evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070

Place: Mumbai
Date: May 12, 2021

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 12, 2021

Sandeep Deshmukh
Company Secretary
Membership No.: ACS10946
Place: Mumbai

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 6, 2021, Friday @ 3:00 p.m. (IST)
Mode of conduct	Video Conferencing / Other Audio Visual Means
Dividend book closure date	July 16, 2021, Friday to August 4, 2021 Wednesday (both days inclusive)
Dividend payment date	Within 30 days from the date of AGM
Cut-off date for entitlement for remote e-voting	July 30, 2021, Friday
Remote e-voting start date and time	August 3, 2021, Tuesday @ 9.00 a.m. (IST)
Remote e-voting end date and time	August 5, 2021, Thursday @ 5.00 p.m. (IST)
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 Email: 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 Contact No.: 91-22-68568000 E-mail: upl.investors@upl-ltd.com

UPL LIMITED

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

(CIN: L24219GJ1985PLC025132)

Notice

NOTICE is hereby given that the **37th Annual General Meeting** of the Members of UPL Limited will be held on **Friday, August 6, 2021** 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 the following resolutions as Ordinary resolutions:

1. **To consider and adopt the audited standalone financial statement of the Company for the financial year ended March 31, 2021 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, 2021 and the reports of the Board of Directors and Auditor thereon as circulated to the members 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, 2021 and the report of the Auditor thereon:**

   "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditor thereon as circulated to the members be and are hereby considered and adopted."

3. **To declare dividend on equity shares:**

   "**RESOLVED THAT** dividend at the rate of ₹ 10 /- (Ten rupees) per equity share of face value of ₹ 2/- (Two rupees) each fully paid-up, be and is hereby declared for the financial year ended March 31, 2021 and the same be paid as recommended by the Board of Directors of the Company, subject to deduction of tax at source and, in accordance with the provisions of Section 123 and the other applicable provisions, if any of the Companies Act, 2013."

4. **To re-appoint Mr. Arun Ashar (DIN: 00192088) as director:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Arun Ashar (DIN: 00192088), be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

To consider and if thought fit to pass the following resolution as an Ordinary resolution:

5. **To approve remuneration of the Cost Auditor for the financial year ending March 31, 2022:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. RA & Co., Cost Accountants (Firm Registration No. 000242), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, amounting to ₹ 9,50,000/- (Rupees Nine Lakhs Fifty Thousand only) as also the payment of taxes, as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.

   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."

Notes:

Section A – Attendance and Documents Inspection

1. The deemed venue of the meeting shall be the registered office of the Company.
2. In view of the ongoing unprecedented COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 2/2021 dated January 13, 2021 read with General Circular No 20/2020 dated May 5, 2020 General Circular No. 14/2020 dated April 8, 2020 General Circular No. 17/2020 dated April 13, 2020 and the Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (hereinafter 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 for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/Company/Depositories. Members may note that the Notice and Annual Report for FY 2020-21 are also available on the Company's website https://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 5 forms part of this Notice. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking 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 through VC facility, 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 authorize their representative to attend the Meeting through VC facility are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting. The said resolution / authorization shall be sent at the email of the scrutiniser viz. bhaskar@nlba.in

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 upto August 1, 2021. 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 and avoid repetition of questions.**

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 6, 2021. Members seeking to inspect such documents can send an email to upl.investors@upl-ltd.com.

Section B – Dividend, Book Closure, TDS, etc

11. **The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, July 16, 2021 to Wednesday, August 4, 2021 (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 dematerialized 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, July 15, 2021.

    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, July 15, 2021.

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 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 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:

    Tax will be deducted at source ("TDS") under Section 194 of the Act @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during the financial year does not exceed ₹ 5,000/-.

TDS will not be deducted in cases where a shareholder provides duly completed Form 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met.

NIL / lower tax shall be deducted from the dividend payable to certain classes of resident shareholders such as Insurance companies, Mutual Funds, Alternative Investment Fund (AIF) established in India, New Pension System Trust, etc. on submission of self-declaration.

For Non-resident shareholders:

Tax is required to be withheld in accordance with the provisions of Section 195 and Section 196D of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the IT Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

i. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax authorities.

ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident.

iii. Self-declaration in Form 10F (refer format), if all the details required in this form are not mentioned in the TRC.

iv. Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of Section 206AB of the IT Act).

v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.

vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting requirement of the IT Act read with applicable tax treaty.

Special provisions of section 206AA/206AB of the Income Tax Act (For non-filers of tax return – For resident shareholders and selected non-resident shareholders)

The rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from July 1, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- twice the rate specified in the relevant provision of the IT Act; or
- twice the rate or rates in force; or
- the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub-section (3) of section 206AB and covers the persons who satisfy the following conditions:

- A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the I-T Act has expired; and
- The aggregate of TDS and TCS in his case is ₹50,000 or more in each of these two previous years.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

An email communication informing the shareholders regarding the change in the Income Tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate was sent by the Company at the registered email IDs of the shareholders.

The aforementioned documents are required to be submitted to Link Intime or the Company on or before Tuesday, July 20, 2021.

In the event of any tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

Section C – Updation of records, IEPF and queries on Annual Report

14. Members are requested to direct notifications about change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), nomination, power of attorney, bank account details or any other information to their respective depository participants (DPs) 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 – 400 083, Contact No: 91-22-49186270, Fax No: 91-22-49186060, Email: 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 dematerialized 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 dematerialized 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 email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form or by sending a written request to 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 July 26, 2021 through email 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 April 20, 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 2012-13 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 2013-14 to 2019-20 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 the 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, 2020, on the website of the Company i.e. https://www.upl-ltd.com and also on the website of the Ministry of Corporate Affairs i.e. www.iepf.gov.in.

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 2020-21, 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. September 29, 2020. Details of shares transferred to the IEPF Authority are available on the website of the Company under Investors section 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 resolutions – Rules and Procedure

25. Voting Options – In view of the meeting being held by audio visual means, the members 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 SEBI Listing Regulations 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 **Tuesday, August 3, 2021 (9:00 a.m. IST) and ends on Thursday, August 5, 2021 (5:00 p.m. IST)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, July 30, 2021**, may cast their vote by remote e-voting. Those members, 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. Friday, July 30, 2021. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday, August 6, 2021.

    - **Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled for all the individual shareholders holding securities in demat mode, by way of single login credential, through their demat account maintained with Depositories and Depository Participants. It will allow individual shareholders holding securities in demat form to cast their vote without having to register again with the e-Voting service provider thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.**

      Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

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?

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**A. IDeAS Registered User:** 1. Visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. On the e-Services home page click on the “**Beneficial Owner**” icon under “**Login**” which is available under ‘**IDeAS**’ section. A new screen will open and you will be required to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. 3. Click on “**Access to e-Voting**” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name (NSDL in this case) and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders who have not yet registered for IDeAS e-services and are desirous of getting registered, are requested to follow the following steps: a) Option to register is available at https://eservices.nsdl.com. b) Select “**Register Online for IDeAS Portal**” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp **B. e-Voting through the website of NSDL:** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 3. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 4. Click on company name or e-Voting service provider name (NSDL in this case) and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) logging through their depository participants	1. Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider name (NSDL in this case) and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode	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’ 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 e-services 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) allotted to UPL followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Type of shareholders	Login Method
	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. By clicking 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhaskar@nlba.in 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

Process for procuring user id and password for e-voting for those shareholders whose email id's are not registered is as under:

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), self-attested scanned copy of PAN card and AADHAR by email 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, self-attested scanned copy of PAN card and AADHAR to evoting@nsdl.co.in.

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 members for attending the AGM through VC facility are as under:

1. Shareholder will be provided with a facility to attend the AGM through VC facility 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 facility 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

26. A member may participate in the 37th 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.
27. 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. Friday, July 30, 2021 only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
28. The Board of Directors have appointed Mr. Bhaskar Upadhyay, Practicing Company Secretary (Membership No. FCS 8663 / C.P. No. 9625) or failing him Mr. Bharat Upadhyay, Practicing Company Secretary (Membership No. FCS 5436 / C.P. No. 4457) 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.
29. 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 authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
30. The results of voting will be declared and the same along with the Scrutinizers Report will be published on the website of the Company https://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 the provision of section 129 of the Companies Act, 2013, the Company submits its standalone and consolidated financial statements for FY2021 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 financial year ended March 31, 2021. 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 email address and
- have been uploaded on the website of the Company i.e. https://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 ordinary resolutions set out at Item Nos. 1 and 2 for approval of the members of the Company.

None of the directors or 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 section 123 of the Companies Act, 2013, the Company can declare final dividend at the Annual General Meeting with approval of the members.

In line with the Dividend Distribution Policy of the Company, and to reward the shareholders of the Company, the Board has recommended dividend of ₹ 10/- per equity share of ₹ 2/- each (500%) for the financial year ended March 31, 2021 against ₹ 6/- per equity share of ₹ 2/- each (300%) declared 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 name will appear in the Register of Members as on close of Thursday, July 15, 2021. For shares held in dematerialized 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, July 15, 2021.

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 ordinary resolution set out at Item No. 3 for approval of the members of the Company.

None of the directors or key managerial personnel and their relatives are in any way, financially or otherwise, interested or concerned in the resolution except to the extent of their shareholding in the Company.

Item No. 4: Re-appointment of Mr. Arun Ashar as Director

Section 152 of the Companies Act, 2013 ("the Act") mandate certain number of directors to retire at every Annual General Meeting ("AGM") of the Company and be re-appointed by members. In compliance with this requirement, Mr. Arun Ashar, retires by rotation at the ensuing AGM. He is eligible and has offered himself for re-appointment.

The statutory details for Mr. Arun Ashar are enclosed in Annexure 1. The Company has received consent from Mr. Arun Ashar for re-appointment as director in terms of section 152(5) of the Act. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Arun Ashar is a Whole-time Director and has contributed immensely in the Company's growth. He has a rich and varied experience of the Industry, and of corporate functions of the Company.

The Board, based on the recommendation of the Nomination and Remuneration Committee, recommends resolution at Item No. 4 relating to re-appointment of Mr. Arun Ashar as director, for approval of the members as an Ordinary Resolution.

None of the directors or key managerial personnel and their relatives, except Mr. Arun Ashar, are in any way, financially or otherwise, interested or concerned in the resolution.

Item No. 5: Remuneration of Cost Auditor

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, 2022 at a remuneration of ₹ 9,50,000/- (Rupees Nine Lakhs 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 an ordinary resolution for remuneration payable to the Cost Auditor for the financial year ending March 31, 2022.

The Board recommends the resolution at Item No. 5 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.

Date: May 12, 2021
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 Devidas Shroff
Chairman and Managing Director
(DIN:00180810)

ANNEXURE I - INFORMATION ABOUT DIRECTORS

Name of the Director	**Arun Ashar**
Director Identification Number	00192088
Age	72
Date of joining the Board	March 1, 1993
Qualification	Chartered Accountant
Expertise in specific functional area	All Corporate functions of the Company which mainly include Finance, Risk, Compliance, Governance and liaising with various authorities.
Profile	Mr. Arun Ashar has been associated with the Group since the year 1973. Mr. Ashar's association with the Group for around 48 years has added value to both the Company and its shareholders. He has rich and varied experience in the Industry and, in Corporate functions including finance, compliance and governance, technical areas and general administration. He has provided dedicated and meritorious services and significant contribution to the overall growth of UPL. His understanding of the Company's functioning, his commitment towards the Group and his continued guidance in his current role as a Director – Finance is in the interest of the Company. His detailed profile has been provided separately in the Annual Report and also available on the website of the Company.
Number of meetings of the Board attended in FY2020-21 and remuneration details	As disclosed in the Corporate Governance Report
Member / Chairperson of the Committees of the Company	Member • Risk Management Committee • Stakeholders Relationship Committee • Corporate Social Responsibility Committee • Finance and Operations Committee
Directorships and Committee memberships in other companies*	Directorships: Uniphos Enterprises Limited Agri Net Solutions Limited BEIL Infrastructure Limited Enviro Technology Limited Shivalik Solid Waste Management Limited Kerala Enviro Infrastructure Limited Arysta Lifesciences India Limited Committee Memberships: • Arysta Lifescience India Limited - Audit Committee • Uniphos Enterprises Limited - Audit Committee - Stakeholders Relationship Committee • Enviro Technology Limited - Audit Committee • BEIL Infrastructure Limited - Audit Committee
No. of shares held in the Company as on March 31, 2021	861,860 equity shares includes joint holding with relatives
Relationship with other Directors / KMP	Not related to other Directors / KMP

** Directorships in private limited companies, foreign companies and section 8 companies and their committee memberships are excluded. Membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of only public companies have been included in the aforesaid table.*

Notes

UPL House
610 B/2, Bandra Village,
Off Western Express Highway,
Bandra-East, Mumbai 400 051, India.