

UNITED PHOSPHORUS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

CONTENTS	PAGES
MANAGEMENT AND ADMINISTRATION	1
COMMENTARY OF THE DIRECTORS	2
AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	4
INCOME STATEMENT	5
STATEMENT OF CHANGES IN EQUITY	6
CASH FLOW STATEMENT	7
NOTES TO THE FINANCIAL STATEMENTS	8 - 14

MANAGEMENT AND ADMINISTRATION

		<i>Date of Appointment</i>	<i>Date of Resignation</i>
DIRECTORS	:	Mr. Nuno Miguel Moreira da Cruz	15 Mar'2010
		Mr. Jaidev Rajnikant Shroff	17 May'2010
		Mr. Rajnikant Devidas Shroff	17 May'2010
		Mrs. Sandra Rajnikant Shroff	17 May'2010
		Mr. Joaquim Magro De Almeida	01 Nov'2010
		Mr. Pedro Manuel Taveira Pinto Dos Santos Palv	01 Nov'2010
		Mr. Uttam Danayah	06 Sep'2013
		Mr. Manish Ramsunder Tripathi	06 Sep'2013
			06 Sep'2013
			20 June'2014

**ADMINISTRATOR
& SECRETARY**

: Fidmore Secretaries Limited
 Suit 925 A, Block 8/9
 Europort,
 Gibraltar

REGISTERED OFFICE

: Suite 925 A
 Europort,
 Gibraltar.

COMMERCIAL OFFICE

: Suite 8, Ellesmere House,
 29 City Mill Lane, PO 646,
 Gibraltar.

BANKERS

: State Bank of India, Manchester.
 Credit Suisse Bank, Zurich.
 Barclays Bank, Isle of Man.

AUDITORS

: Luis F Correia

COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of United Phosphorus Limited ('the Company') for the year ended 31 March 2015.

PRINCIPAL ACTIVITY

The Company was incorporated on 17th March 2005 and its activities consists of international trading, investment holding, providing management and marketing support to group companies.

OWNERSHIP

During the year ended 31 March 2015 there is no change in ownership and the sole shareholder of the Company remained Uniphos Limited, Mauritius.

RESULTS AND DIVIDENDS

The Company's results are shown on page 5.

The directors do not recommend the payment of any dividend for the year under review (Previous Year 31 March 2014 : NIL)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors have prepared the financial statements for a special purpose. It represents fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors have:

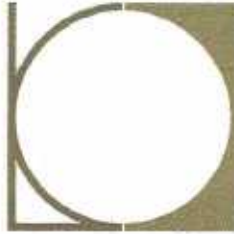
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether Generally accepted accounting Standards in Gibraltar have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Gibraltar Companies Act. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditor, Luis F Correia, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.



LUIS FILIPE CORREIA

**Chartered Public Accountant
OTOC Member No. 706**

**ORDEM DOS TECNICOS OFICIAIS DE CONTAS
CHAMBER OF CHARTERED PUBLIC ACCOUNTANTS
Portugal**

Av 25 de Abril, 217 – 3º A
2750-513 Cascais
PORTUGAL

AUDITOR'S REPORT

TO THE MEMBER OF UNITED PHOSPHORUS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of United Phosphorus Limited, which comprises the balance sheet as at 31 March 2015, and the income statement, statement of changes in equity and statement of cash flows for the year ended that date a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards generally accepted in Gibraltar. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Auditing Standards generally accepted in Gibraltar. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.



LUIS FILIPE CORREIA

**Chartered Public Accountant
OTOC Member No. 706**

**ORDEM DOS TECNICOS OFICIAIS DE CONTAS
CHAMBER OF CHARTERED PUBLIC ACCOUNTANTS
Portugal**

Av 25 de Abril, 217 – 3º A
2750-513 Cascais
PORTUGAL

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion the financial report of United Phosphorus Limited is giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date.

Luis F Correia
Auditor
Chamber of Public Chartered Accountants
Member No. 706
Date: 22nd April 2015

STATEMENT OF FINANCIAL POSITION- 31 MARCH 2015

	<u>Notes</u>	<u>March'2015</u> USD '000	<u>March'2014</u> USD '000
ASSETS			
Current assets			
Trade and other receivables	3	77,138	59,962
Cash and cash equivalents	10(b)	35	601
		<u>77,173</u>	<u>60,564</u>
Total assets		<u><u>77,173</u></u>	<u><u>60,564</u></u>
EQUITY AND LIABILITIES			
Equity			
Stated capital	4	4	4
Retained earnings		<u>64,240</u>	<u>49,268</u>
Total equity		<u><u>64,244</u></u>	<u><u>49,272</u></u>
Current liabilities			
Trade and other payables	6	<u>12,929</u>	<u>11,292</u>
Total current liabilities		<u><u>12,929</u></u>	<u><u>11,292</u></u>
Total equity and liabilities		<u><u>77,173</u></u>	<u><u>60,564</u></u>

These financial statements have been approved for issue by the Board of Directors on 22nd April'2015

Nuno Miguel Moreira da Cruz

.....
NUNO MIGUEL MOREIRA DA CRUZ

LUIS F CORREIA
CPA & AUDITOR
Member CTOC No. 0706

Luis F Correia

.....
Luis F Correia
Auditor
Chamber of Public Chartered Accountants
Member No. 0706

INCOME STATEMENT - YEAR ENDED 31 MARCH 2015

	Notes	March'2015 USD '000	March'2014 USD '000
Turnover		13,038	-
Cost of sales	7 (a)	<u>(12,054)</u>	<u>-</u>
Gross profit		984	-
Other income	8	19,919	18,706
Administrative expenses	7 (b)	(5,927)	(6,004)
Finance cost	9	<u>(4)</u>	<u>(6)</u>
Profit before taxation		14,972	12,697
Taxation	11	<u>-</u>	<u>-</u>
Profit after taxation (PAT)		<u>14,972</u>	<u>12,697</u>
Profit transferred to reserve		<u>14,972</u>	<u>12,697</u>

The notes on pages 8 to 14 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED 31 MARCH 2015

	Stated capital	Retained earnings	Total
	USD '000	USD '000	USD '000
At 01 April 2013	4	36,572	36,575
Profit for the year	-	12,697	12,697
Dividend	-		
At 31 March 2014	4	49,268	49,272
Profit for the year		14,972	14,972
At 31 March 2015	<u>4</u>	<u>64,240</u>	<u>64,244</u>

The notes on pages 8 to 14 form an integral part of these financial statements.

CASH FLOW STATEMENT - YEAR ENDED 31 MARCH 2015

	Notes	March'2015 USD '000	March'2014 USD '000
<i>Operating Activities</i>			
Net profit for the year		14,972	12,697
Finance Cost		4	6
<i>Changes in working capital:</i>			
Decrease/(increase) in trade and other receivables		(17,176)	7,400
(Decrease)/increase in trade and other payables		1,638	(49,779)
Cash generated from/(used in) operations		(563)	(29,676)
		-	-
Net cash generated from/(absorbed in) operating activities		(563)	(29,676)
<i>Financing activities</i>			
Finance Cost		(4)	(6)
Dividend paid to holding company		-	-
Net cash used in financing activities		(4)	(6)
Net increase/(decrease) in cash and cash equivalents		(567)	(29,682)
<i>Movement in cash and cash equivalents</i>			
At 01 April		601	30,283
Net increase/(decrease) in cash and cash equivalents		(567)	(29,682)
At 31 March	10 (b)	35	601

The notes on pages 8 to 14 form an integral part of these financial statements.

1 GENERAL INFORMATION

United Phosphorus Limited (the "Company") was incorporated on 17 March 2005 with incorporation number 94405. Registered office situated at Suite 925 A, Europort, Gibraltar. The Company's activities consists of international trading, investment holding, providing management and marketing support to group companies.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of accounting

The financial statements of United Phosphorus Limited have been prepared in accordance with Accounting Standards generally accepted in Gibraltar. Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with Accounting Standards generally accepted in Gibraltar requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

(b) Investments in subsidiaries

Investments in subsidiaries are shown at cost and provision is only made where, in the opinion of the directors, there is a permanent diminution in value. Where there has been a permanent diminution in the value of an investment, it is recognised as an expense in the period in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Financial instruments****Categories of financial assets**

The company classifies its financial assets as available for sale investments and receivables

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(c) Trade & Other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the income statement.

(d) Trade payables

Trade payables are stated at their nominal value.

(e) Bank borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after reporting date.

(f) Foreign Currencies**(i) Functional and presentation currency**

Items included in the financial statements are measured using US dollar, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in US dollar, which is the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(g) Impairment**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(h) Related parties

Related parties are individuals and companies where the individual or company has the ability directly or indirectly, to control the other party or exercise significant influence over the other party making operating and financial decisions, or vice versa.

(i) Cash and Cash equivalents

Cash comprises cash at bank. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible in to known accounts of cash and which are subject to an insignificant risk of change in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the companies cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted

(j) Revenue recognition

Dividend income - when shareholders' right to receive payment is established.

Interest income - as it accrues, unless collectability is in doubt.

Sales are recognised upon delivery of products and customer acceptance, if any, or performance of services, net of value added taxes and discounts.

Management fees, commission income, licence fees and other income are recognised on an accrual basis.

(k) Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015

3. TRADE AND OTHER RECEIVABLES	March'2015	March'2014
	USD '000	USD '000
Trade debtors	14,014	1,554
Other receivables	2,311	39
Amounts receivable from group companies	60,813	58,370
	<u>77,138</u>	<u>59,962</u>

The carrying amount of trade and other receivables approximate their fair value.

4. STATED CAPITAL	March'2015	March'2014
	USD '000	USD '000
Ordinary shares of GBP 1 each		
At 01 April/31 March	<u>4</u>	<u>4</u>
Number of ordinary shares	<u>2,000</u>	<u>2,000</u>

5. DIVIDEND

The directors do not recommend the payment of any dividend for the year under review (Previous Year : NIL)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

6. TRADE AND OTHER PAYABLES	March'2015	March'2014
	USD '000	USD '000
Trade creditors	5,370	2,029
Other Payables	7	332
Amount payable to group companies	7,552	8,930
	<u>12,929</u>	<u>11,292</u>

The carrying amounts of trade and other payables approximate their fair value.

7. EXPENSES BY NATURE	March'2015	March'2014
	USD '000	USD '000
(a) Cost of sales	<u>12,054</u>	-
(b) Administrative expenses		
Legal & professional fees	32	53
Aircraft hire charges	5,661	5,832
Travelling - others	3	15
Salaries & wages	4	26
Auditors remuneration	8	10
Sundry debit balances written off	219	-
Other expenses	-	68
	<u>5,927</u>	<u>6,004</u>

8. OTHER INCOME	March'2015	March'2014
	USD '000	USD '000
Management fees	-	4,839
Other Income from group companies	19,332	13,908
Other income	322	0
Exchange Difference Income	265	-40
	<u>19,919</u>	<u>18,706</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2014

9. FINANCE COST	March'2015	March'2014
	USD '000	USD '000
Financial Charges	4	6
	<u>4</u>	<u>6</u>

10. NOTES TO THE CASH FLOW STATEMENT	March'2015	March'2014
	USD '000	USD '000
(a) <i>Operating activities</i>		
Net profit for the year	14,972	12,697
	14,972	
Financial Charges	4	6
<i>Changes in working capital:</i>		
Decrease/(increase) in trade and other receivables	(17,176)	7,400
Decrease in trade and other payables	1,638	(49,779)
Cash generated from/(used in) in operations	(563)	(29,676)
(b) <i>Cash and cash equivalents</i>	March'2014	March'2014
	USD '000	USD '000
Cash at bank	<u>35</u>	<u>601</u>

11. TAXATION

The Company's income is exempt for Tax in Gibraltar.

12. HOLDING AND ULTIMATE HOLDING COMPANY

The directors consider United Phosphorus Limited, a company incorporated in India as the ultimate holding company & UPL Ltd (Formerly known as Uniphos Limited), a company incorporated in Mauritius, as the holding company.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

13. RELATED PARTY TRANSACTIONS

During the year ended 31st March 2015, the Company traded with related entities. The nature, volume and type of transactions with the entities are as follows:

Name of related entities	Nature of transactions	March'2015 USD	March'2014 USD
Ultimate Holding company			
UPL LTD (Formerly known as United Phosphorous Ltd)	Purchases	12,054	-
Parent Holding company			
Bio-Win Corporation Limited	Commission income	16,016	10,052
	Management fee income	-	4,839
Fellow subsidiaries			
UPL Europe Ltd.(Formerly known as United Phosphorus Limited, U.K.)	EBDC Lic Fee Income	-	1,479
UP Aviation Limited, Cayman Island	Aircraft Hire charges	5,661	5,832
	Trade Mark Fee Income	3,316	2,377
United Phosphorus Inc.	Sales	13,038	-

RELATED PARTY TRANSACTIONS (CONT'D)

As at 31 March 2015, the balances outstanding with related parties were as follows:

Name of related entities	Loan/ advances to/ (from) related parties USD	Amount owed by related parties USD	Amount owed to related parties USD
UPL Limited, India UPL LTD (Formerly known as United Phosphorous Ltd)	-	950	2,770
United Phosphorus Inc, USA	-	13,038	-
UPL(Taiwan) Limited (Formerly Known as United Phosphorus (Taiwan) Limited)	-	25	-
Bio-Win Corporation Limited, Mauritius	(7,552)	0	-
UP Aviation Limited, Cayman Island	-	-	2,600
UPL Ltd (Formerly known as Uniphos Limited, Gibraltar)	60,813	1	-
UPL Europe Ltd.(Formerly known as United Phosphorus Limited, U.K.)	-	-	-
	<u>53,261</u>	<u>14,014</u>	<u>5,370</u>