



**United Phosphorus Holdings B.V.**

**Non-statutory financial statements  
For the year ended 31 March 2015**

*Authenticator*  
*J/S 16/4/2015*

## **Contents**

### **Financial statements**

Balance sheet as at 31 March 2015	2
Profit and loss account for the year ended 31 March 2015	3
Notes to the financial statements for the year ended 31 March 2015	4
Notes to the balance sheet	6
Notes to the profit and loss account	8
Other information	9

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**Balance sheet as at 31 March 2015***(before proposed appropriation of net result)*

	2015	2014
	EUR	EUR
<b>Fixed assets</b>		
Financial fixed assets	1 104.372.051	104.250.551
	<u>104.372.051</u>	<u>104.250.551</u>
<b>Current assets</b>		
Receivables	2 143.009.453	205.526.350
Cash and bank	67.458.136	1.238.658
	<u>210.467.589</u>	<u>206.765.008</u>
<b>Current liabilities</b>	3 242.219.826	239.177.909
<b>Current assets less current liabilities</b>	<u>(31.752.237)</u>	<u>(32.412.903)</u>
<b>Total assets less current liabilities</b>	<u>72.619.814</u>	<u>71.837.648</u>
<b>Shareholder's equity</b>	4	
Issued capital	18.000	18.000
Share premium	73.700.500	73.700.500
Retained earnings	(1.860.852)	(2.687.652)
Unallocated result	782.166	808.800
	<u>72.619.814</u>	<u>71.837.648</u>

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

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United Phosphorus Holdings B.V.

## Profit and loss account for the year ended 31 March 2015

	2015	2014
	EUR	EUR
Net sales	487.353	447.000
Cost of sales	484.858	444.000
Gross margin	<u>2.495</u>	<u>3.000</u>
Operation turnover	2.000	2.000
Administrative expenses	5 308.869	332.439
Operating result	<u>(304.174)</u>	<u>(327.439)</u>
Financial income/(expense)	6	
Interest income	11.908.401	11.491.988
Interest expense	(11.045.222)	(10.647.235)
Currency exchange gain/(loss)	363.162	406.601
Income from liquidated investment	0	14.318
	<u>1.226.341</u>	<u>1.265.652</u>
Result before taxation	<u>922.167</u>	<u>938.213</u>
Income tax charge	7 140.001	131.413
Net result for the year	<u><u>782.166</u></u>	<u><u>806.800</u></u>

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

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## Notes to the financial statements for the year ended 31 March 2015

### General

United Phosphorus Holdings B.V. has been founded on 6 November 2006.

United Phosphorus Holdings B.V. ("the Company"), having its legal seat in Amsterdam, the Netherlands, is directly and fully owned by United Phosphorus Holdings Coöperatief U.A. effective 29 March 2011, and is ultimately a wholly owned subsidiary of UPL Limited (formerly known as United Phosphorus Ltd.) Mumbai, India.

The financial year 2015 concerns the period April 2014 until March 2015.  
The financial year 2014 concerns the period April 2013 until March 2014.

### Consolidation policy

As provided by Article 408 of part 9, Book 2 of the Netherlands Civil code, consolidated financial statements are not prepared by the company as the Company and its subsidiaries are included in the consolidated financial statements of UPL Limited Mumbai, India.

### Accounting policies for the valuation of assets and liabilities

#### General

The valuation of assets and liabilities and the determination of the result are on the basis of the historical cost convention, except as stated below. Income and expenditure are allocated to the year to which they relate.

The financial statements have been prepared in accordance with generally accepted accounting principles in the Netherlands and comply with the financial reporting requirements included in Part 9 Book 2 of the Netherlands Civil Code.

Profits are only recognised if they have been realised on the balance sheet date. Losses and risks which originate before the end of the financial year are considered if they have become known before the annual accounts are drawn up.

#### Financial fixed assets

The investments in subsidiaries are stated at historical cost adjusted for permanent decrease in value, if deemed necessary.

The investments in subsidiaries are:

- Cerexagri B.V. at Rotterdam, The Netherlands, 100%;
- UPL Italia S.R.L., 100% (formerly known as Cerexagri Italia S.R.L.)  
As per 24 January 2013 United Phosphorus Limited Italy merged with Cerexagri Italia S.R.L. into Cerexagri Italia S.R.L., therefore the investment in United Phosphorus Limited Italy is replaced by the investment in Cerexagri Italia S.R.L. (now known as UPL Italia S.R.L.)
- United Phosphorus Holdings Brazil B.V. at Rotterdam, The Netherlands, 100%.
- Hodogaya UPL Co.Ltd., Japan, 40%.
- United Phosphorus Inc. U.S.A.  
This investment concerns preference shares acquired July and September 2011.
- United Phosphorus Corp. Philippines, 99,99%
- UPL Benelux B.V. (formerly known as AgriChem B.V.) at Oosterhout, The Netherlands, 100%.  
This company merged April 2014 with S.D. Agchem B.V.
- S.D. Agchem B.V. at Oosterhout, The Netherlands, 100%.  
This company was acquired July 2012 and merged into UPL Benelux B.V. April 2014.
- AgriChem Polska Sp. Z.O.O, Poland, 1%.  
This company was acquired July 2012 and was liquidated November 2014.
- Blue Star B.V. at Amsterdam, The Netherlands, 49%.  
This company was incorporated March 2013

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**Accounting policies for determining the result**

**Operating turnover**

Dividends from investments are determined as net turnover according RJ article 214.505 and are allocated to the year to which they relate.

**Other operating costs**

Costs are determined on a historical cost base and are allocated to the year to which they relate.

**Financial income and expenses**

Income and expenses not arising from ordinary activities are classified under extraordinary income and expenses.

**Taxation**

Tax on result is computed by applying the current rate to the result of the financial year, taking into account temporary and permanent differences between profit calculations for financial statement purposes and those for tax purposes. The differences are incorporated in tax on the result from ordinary activities. United Phosphorus Holdings B.V. forms part of the fiscal unity company tax with United Phosphorus Holdings Coöperatief U.A. and therefore is not separately liable for tax and is offset against the current account of the parent company.

**Average number of employees**

During 2014/2015 no employees were employed on the basis of a full time contract of service.  
During 2013/2014 no employees were employed on the basis of a full time contract of service.

**Capital and other commitments and contingent liabilities**

The Company has given a guarantee to the Bank of Baroda for EUR 11,000,000 in favour of UPL Italia S.R.L. towards working capital.

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## United Phosphorus Holdings B.V.

## Notes to the balance sheet

1	Financial fixed assets	2015	2014
		EUR	EUR
	Investment Cerexagri B.V.	27.068.000	27.068.000
	Investment UPL Italia S.R.L.	300.000	300.000
	Investment United Phosphorus Inc.	43.253.433	43.253.433
	Investment United Phosphorus Holdings Brazil B.V.	20.025.200	20.025.200
	Investment Hodogaya UPL Co. Ltd.	1.812.493	1.812.493
	Investment United Phosphorus Corp. Philippines	156.838	156.838
	Investment UPL Benelux B.V.	10.800.099	0
	Investment S.D. Agchem B.V.	0	10.800.099
	Investment AgriChem Polska Sp.Z.O.O	0	1.000
	Investment Blue Star B.V.	955.990	833.490
		<u>104.372.051</u>	<u>104.250.551</u>
2	Receivables	2015	2014
	Receivables comprise:	EUR	EUR
	Receivables Group Companies	142.986.288	163.016.073
	Taxes	8.165	6.862
	Other receivables	15.000	42.503.425
		<u>143.009.453</u>	<u>205.526.350</u>

## Contingent assets and liabilities

United Phosphorus Holdings B.V. forms part of the fiscal unity company tax with United Phosphorus Holdings Coöperatief U.A., United Phosphorus Holdings Brazil B.V., UPL Benelux B.V. and Cerexagri B.V. and is therefore jointly and severally liable for the liabilities of that partnership.

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**3 Current liabilities**

Current liabilities comprise:	2015	2014
	EUR	EUR
Payables Group Companies	242.187.781	239.171.033
Trade payables	30.468	5.297
Accrued liabilities	1.579	1.579
	<u>242.219.826</u>	<u>239.177.909</u>

**4 Shareholder's equity**

The movement in shareholder's equity is as follows:

	Issued capital EUR	Share Premium EUR	Retained earnings EUR	Unallocated result EUR	Total EUR
Balance 1 April 2014	18.000	73.700.500	(2.687.652)	806.800	71.837.648
Allocation of 2014 net result	0	0	806.800	(806.800)	0
Dividend distribution	0	0	0	0	0
Net result 2015	0	0	0	782.166	782.166
Balance 31 March 2015	<u>18.000</u>	<u>73.700.500</u>	<u>(1.880.852)</u>	<u>782.166</u>	<u>72.619.814</u>

The movements in 2014 were as follows:

	Issued capital EUR	Share Premium EUR	Retained earnings EUR	Unallocated result EUR	Total EUR
Balance 1 April 2013	18.000	73.700.500	(2.151.701)	(535.951)	71.030.848
Allocation of 2013 net result	0	0	(535.951)	535.951	0
Dividend distribution	0	0	0	0	0
Net result 2014	0	0	0	806.800	806.800
Balance 31 March 2014	<u>18.000</u>	<u>73.700.500</u>	<u>(2.687.652)</u>	<u>806.800</u>	<u>71.837.648</u>

The Company's authorised capital amounts to EUR 90,000 consisting of 900 shares with a par value of EUR 100 each. At 31 March 2015 180 shares have been issued and fully paid, amounting to EUR 18,000.

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## United Phosphorus Holdings B.V.

## Notes to the profit and loss account

## 5 Administrative expenses

Administrative expenses can be detailed as follows:

	2015	2014
	EUR	EUR
Management fee	179.000	177.000
Legal & Professional Fees	111.337	144.833
Auditor's Remuneration	1.579	1.579
Write off investment	1.000	1.000
Bank charges	15.763	8.227
	<u>308.669</u>	<u>332.439</u>

## 6 Financial income and expenses

	2015	2014
	EUR	EUR
Exchange difference	363.162	406.601
Interest income group companies	10.536.499	10.288.351
Interest income other	1.371.901	1.203.617
Interest expenses group companies	(11.045.221)	(10.647.235)
Income from liquidated investment	0	14.318
	<u>1.226.341</u>	<u>1.265.652</u>

## 7 Tax

	2015	2014
	EUR	EUR
Corporate income tax United Phosphorus Holdings B.V.	140.001	129.574
Adjustment tax previous years	0	1.839
	<u>140.001</u>	<u>131.413</u>

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United Phosphorus Holdings B.V.

#### Other information

#### Appropriation of the net result for the year

Article 19 of the Articles of Association of the Company provides that net income for the year is at the disposal of the Annual General Meeting of Shareholders.

The following appropriation of the result after taxes for the year ended 31 March 2015 is proposed to the General Meeting of Shareholders to transfer the net profit of EUR 782,166 to retained earnings. The result after tax for the year ended 31 March 2015 is included in the unappropriated results within the equity.

#### Proposed appropriation of net income

At present no decision has been taken with regard to the proposed appropriation of the net loss, pending the approval of the Company's shareholder.

#### Auditor's report

The auditor's report is set forth on the following page.

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AS 16/4/2015

Accountants



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To: The board of directors  
United Phosphorus Holdings B.V.

## INDEPENDENT AUDITOR'S REPORT

We have audited, for purposes of audit of the consolidated financial statements of UPL Ltd., the non-statutory financial statements of United Phosphorus Holdings B.V., at Rotterdam, for the period 1 April 2014 until 31 March 2015 as identified by us for identification purposes.

### Management's responsibility

Management is responsible for the preparation and fair presentation of these non-statutory financial statements, in accordance with the accounting instructions issued by UPL Ltd. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the non-statutory financial statements that are free from material misstatement, whether due to fraud or error. The non-statutory financial statements have been prepared solely for consolidation purposes of UPL Ltd.

### Auditor's responsibility

Our responsibility is to express an opinion on these non-statutory financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the instructions issued by UPL Ltd. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the non-statutory financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-statutory financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the non-statutory financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-statutory financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-statutory financial statements.

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

Accountants

**Opinion**

In our opinion, the non-statutory financial statements of United Phosphorus Holdings B.V. as at 31 March 2015 and of its result for the period 1 April 2014 until 31 March 2015 are prepared in all material respects, in accordance with the accounting instructions issued by UPL Ltd.

**Emphasis of matter**

We draw attention to the fact that the non-statutory financial statements have been prepared for consolidation purposes of UPL Ltd. only and that they do not therefore necessarily provide a true and fair view of the financial position of as at March 31, 2015 and of its result for the period 1 April 2014 until 31 March 2015, in accordance with Part 9 of Book 2 of the Dutch Civil Code. Our opinion is not qualified in respect of this matter.

The non-statutory financial statements of United Phosphorus Holdings B.V. and our auditor's report thereon are intended solely for UPL Ltd. and are not suitable for other purposes.

Eindhoven, 16 April 2015  
Baker Tilly Berk N.V.

  
drs. H.G.W. van Gerwen RA

Initial for identification purposes:

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date 16 APR. 2015  
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