

AUDITOR'S REPORT

We have completed the analysis of the Financial Statements issued by Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited") for the year ended 31st March, 2017. Our responsibility is to express an opinion, based on our audit.

Our examination was done in accordance with the generally accepted accounting standards, which are carried out in such a manner to allow a reasonable certainty that the Financial Statements do not contain serious errors. The auditing work is through test checks of the accounting data, which support the figures mentioned in the Financial Statements.

In our opinion the Financial Statementst show true and fair view of the financial position of Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited") as on date of the Balance Sheet and the operation of the company during the year ended 31st March, 2017.

Nikolay Korobov
Partner
OOO "Mezhkomaudit"



DIRECTOR'S REPORT

We hereby present the audited annual accounts of Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited"). Favourable market scenarios and exchange rate movements have contributed to the favourable performance of the company. We expect that the company will continue its financial performance consistently in future.

Mr Piyush Kumar
General Director



Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited")

State Registration Number : 1157746848490

Accounting policies

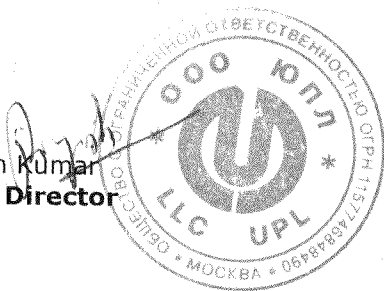
The principle accounting policies adopted by the company are as under:

1. The accounts are prepared with the historical cost convention and in accordance with applicable accounting standard.
2. The transactions in foreign currency are revalued at the prevailing exchange as on the date of the balance sheet. Any difference arising on account of such revaluation is charged off to the profit and loss account as exchange rate difference.
3. Stocks are valued at cost or realizable value lower of the two.
4. Sales are accounted on accrual basis and are net of any taxes.
5. Intangible assets are stated at cost less accumulated amortisation
6. All other expenses are accounted as and when accrued.
7. Expenses on product development and registration incurred are amortised over period of five years.
8. Previous year's figures have been regrouped/rearranged wherever necessary.
9. Carryover losses/profits for tax purposes are (-98,513,980 RUR)

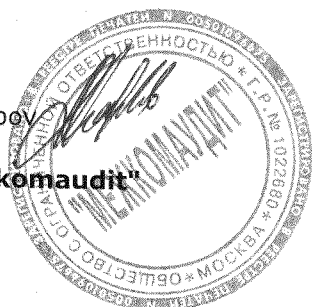
Personnel Details:

The average number of employees during the year on Permanent payroll were 6 (2016: 5) and on Contractual payroll was 1 (2016: 1)

Mr Piyush Kumar
General Director



Nikolay Korobov
Partner
ООО "Mezhkomaudit"

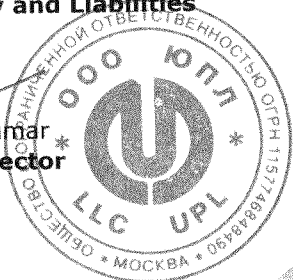


Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited")

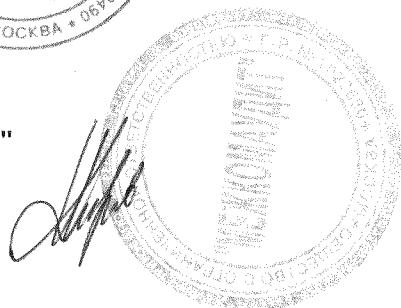
Balance Sheet as at 31st March 2017

Particulars	2017 Roubles	2016 Roubles
ASSETS		
Stocks	25,419,408	30,328,423
Banks	4,828,528	2,396,104
Account Receivables	149,101,140	47,132,830
Tangible Assets	115,925	139,278
Intangible Assets	56,574,512	61,238,397
Advance Taxes	992,217	1,914,818
Total Assets	237,031,730	143,149,849
LIABILITIES		
Payables Group	151,012,323	281,277,767
Payables Others	433,499	4,732,326
Taxes	3,253,429	2,970,693
Total Liabilities	154,699,251	288,980,787
Net Assets	82,332,479	-145,830,938
Share & Additional Capital	180,846,460	63,250
Share Capital	63,250	63,250
Additional Capital	180,783,210	0
Retained Profits	-98,513,980	-145,894,188
Opening Balance	-145,894,188	-112,234,836
During the year	47,380,208	-33,659,352
Total Equity	82,332,479	-145,830,938
Total Equity and Liabilities	237,031,730	143,149,849

Mr Riyush Kumar
General Director



Nikolay Korobov
Partner
OOO "Mezhkomaudit"



Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited")

Income Statement for the year ended 31st March 2017

Particulars	2017 Roubles	2016 Roubles
Sales (Net)	268,131,215	142,712,834
Other Operating Income	15,119	
Cost of Sales	214,456,931	106,691,554
Gross Margin	53,689,404	36,021,280
Group Payable written back	12,653,529	0
Exchange Difference (Income)/Expense	-27,472,378	10,507,464
Inventory Damage Loss	291,063	154,788
Bad Debts	0	228,505
Selling Expenses	27,139,598	24,848,795
Ammortisation chgs	18,931,259	15,423,476
Depreciation	73,183	214,128
Profit before Interest / Tax	47,380,208	-15,355,876
Taxes:	0	18,303,476
Current Tax	0	0
Prior Period Tax	0	18,303,476
Deferred Tax	0	0
Profit after Tax	47,380,208	-33,659,352

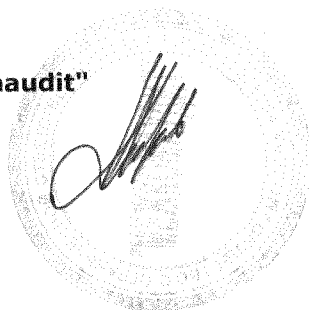
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Mr Piyush Kumar
General Director



Nikolay Korobov
Partner
OOO "Mezhkomaudit"



Limited Liability Company "UPL" (Formerly known as JSC "United Phosphorus Limited")

**Schedule 1
Intangible Assets**

Gross Block

Particulars	2017 Roubles	2016 Roubles
Opening Balance	126,201,469	81,148,683
Add : Additions during the period	14,267,375	45,052,786
Less : Deletions during the period	-34,700,942	0
Closing Balance	105,767,902	126,201,469

Provision for Amortisation

Particulars	2017 Roubles	2016 Roubles
Opening Balance	64,963,072	49,539,596
Add : Additions during the period	18,931,259	15,423,476
Less : Deletions during the period	-34,700,942	0
Closing Balance	49,193,389	64,963,072
Net Closing Balance	56,574,512	61,238,397

**Schedule 2
Tangible Assets**

Gross Block

Particulars	2017 Roubles	2016 Roubles
Opening Balance	353,405	0
Add : Additions during the period	49,831	353,405
Less : Deletions during the period	0	0
Closing Balance	403,236	353,405

Provision for Amortisation

Particulars	2017 Roubles	2016 Roubles
Opening Balance	214,128	0
Add : Additions during the period	73,183	214,128
Less : Deletions during the period	0	0
Closing Balance	287,311	214,128
Net Closing Balance	115,925	139,278

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Schedule 3
Schedule for Selling expenses

Particulars	2017 Roubles	2016 Roubles
Warehousing Costs	1,234,339	2,379,564
Registration, Licences	197,826	123,428
Audit , legal, services, Misc. Exp	8,932,873	7,276,664
Advertisements & demos etc.	1,054,268	2,111,374
Salaries/consultancy	13,312,642	11,544,425
Transport/Communication Costs	2,407,650	1,413,340
Total Selling Expenses	27,139,598	24,848,795

Schedule 4
Schedule for Related Party Disclosure

1. During the year transactions:

Name of Related party / company	Nature of transactions	2017 Roubles	2016 Roubles
UPL Limited, Gibraltar	Purchases	70,573,297	51,316,733
UPL Europe Limited	Purchases	64,168,764	39,014,578
UPL Limited, India	Purchases	0	3,779,468
UPL Benelux B.V.	Purchases	13,817,929	2,930,914
Cerexagri SAS	Purchases	9,668,508	5,861,828
UPL HongKong	Purchases	45,944,583	0
Total		204,173,081	102,903,521

2. Outstanding Balances as on closing date:

Name of Related party/ company	Outstanding balance Category	2017 Roubles	2016 Roubles
Bio-Win Corporation Limited	Payables	0	143,092,671
UPL Limited, Gibraltar	Payables	52,209,604	90,976,044
UPL Europe Limited	Payables	57,577,474	44,005,622
UPL Limited, India	Payables	0	0
UPL Benelux B.V.	Payables	0	3,203,431
UPL HongKong	Payables	41,225,245	0
Total		151,012,323	281,277,767

