UPL NEW ZEALAND LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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FOR THE YEAR ENDED 31 MARCH 2017

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UPL NEW ZEALAND LIMITED
COMPANY DIRECTORY
AS AT 31 MARCH 2017

Incorporated:	16 September 2003	
Nature of Operations:	Holds agricultural and environmental registrations and trading business of Agrochemicals	
Registered Office:	Level 29 188 Quay Street Auckland	
Directors:	Manish Ramsunder Tripathi Bhaskara Sai Chander Yarrapotu	
Auditors:	Crowe Horwath New Zealand Audit Partnership	
Shareholders:	UPL Corporation Limited	100
		100 Shares
Business Location:	Auckland	
Bankers:	BNZ	

UPL NEW ZEALAND LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice of financial statements which present fairly, in all material respects, the financial position of UPL New Zealand Limited as at 31 March 2017 and the results of its operations for the year ended on that date.

The Directors consider that the financial statements have been prepared using accounting policies appropriate to the Company's circumstances, consistently applied and supported by reasonable and prudent judgements and estimate.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors have responsibility for the maintenance of a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that adequate steps have been taken to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Dividend

No dividends have been recommended and no transfers to reserves are proposed

Directors' Disclosure

The shareholders of the company have exercised their right under section 211(3) of the Companies Act 1993, and unanimously agreed that this annual report need not comply with any paragraphs (a) and (e)-(j) of section 211(1) of the Act.

The Directors are pleased to present the Company financial statements for the year ended 31 March 2017.

For and on behalf of the Board

Manish Ramsunder Tripathi — 12/04/2017 Date

Bhaskara Sai Chander Yarrapotu — 12-04-2017 Date

Crowe Horwath
New Zealand Audit Partnership
Member Crowe Horwath International

Audit and Assurance Services

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UPL New Zealand Limited

Independent Auditor's Report to the Shareholders of UPL New Zealand Limited

Opinion

We have audited the financial statements of UPL New Zealand Limited on pages 5 to 20, which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the UPL New Zealand Limited as at 31 March 2017, and its financial performance and its cash flows for the year then ended in accordance with *New Zealand equivalents to International Financial Reporting Standards – Reduced Disclosure Regime (NZ IFRS with RDR).*

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm provides accounting and taxation services to the Company. The firm has no other relationship with, or interests in, the Company.

Responsibilities of Those Charged with Governance for the Financial Statements

Those charged with governance are responsible on behalf of the Company for the preparation and fair presentation of the financial statements in accordance with NZ IFRS with RDR, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance 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 those charged with governance either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Crowe Horwath™

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (NZ) 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 decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board website at: https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8. This description forms part of our auditor's report.

Crowe Horwath

Crowe Horwath New Zealand Audit Partnership

CHARTERED ACCOUNTANTS
Dated at Auckland this 13th day of April 2017

UPL NEW ZEALAND LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017	2016
			$
Sales		3,585,653	703,470
Cost of Sales		(3,114,086)	(606,690)
Gross Profit		471,567	96,781
Other Income		-	50
Administration Expenses	5	(48,839)	(48,550)
Other Operating Expenses	6	(73,689)	(35,900)
Operating Profit / (Loss) before Financing Costs		349,039	12,381
Finance Income		212	36
Finance Expenses		-	-
Net Finance Income / (Expenses)		212	36
Net Profit / (Loss) before Income Tax		349,251	12,417
Income Tax Credit / (Expense)	8	(97,784)	(3,327)
Profit / (Loss) for the year		251,467	9,090
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		251,467	9,090

These financial statements should be read in conjunction with the notes to the financial statements.

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UPL NEW ZEALAND LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 $	2016 $
Equity			
Paid Up Capital	15	100	-
Retained Earnings		549,334	297,867
Total Equity		549,434	297,867
Represented by:			
Current Assets			
Cash and Cash Equivalents	9	162,445	259,284
Trade and Other Receivables	12	1,057,411	82,706
Inventories	11	237,714	409,554
Income Tax Receivable	8	-	10,323
Total Current Assets		1,457,570	761,867
Non - Current Assets			
Intangible Assets	14	-	350
Total Non - Current Assets		-	350
Total Assets		1,457,570	762,217
Current Liabilities			
GST Payable		19,023	7,835
Related Party Payables	10	811,602	421,542
Trade and Other Payables	13	37,067	34,973
Income Tax Payable	8	40,444	-
Total Current Liabilities		908,136	464,350
Net Assets		549,434	297,867

These financial statements have been authorised for issue by the Board of Directors on the date noted below.

Manish Ramsunder Tripathi — 12/04/2017 Date

Bhaskara Sai Chander Yarrapotu — 12-04-2017 Date

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These financial statements should be read in conjunction with the notes to the financial statements.

UPL NEW ZEALAND LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Share Capital	Retained Earnings	2017 Total Equity
	$	$	$
Balance at 1 April 2016	-	297,867	297,867
Profit for the year	-	251,467	251,467
Paid up Share Capital	100		
Total Comprehensive Income for the Year		251,467	251,467
Balance as at 31 March 2017	100	549,334	549,434

	Share Capital	Retained Earnings	2016 Total Equity
	$	$	$
Balance at 1 April 2015	-	288,777	288,777
Profit for the year	-	9,090	9,090
Total Comprehensive Income for the Year	-	9,090	9,090
Balance as at 31 March 2016	-	297,867	297,867

These financial statements should be read in conjunction with the notes to the financial statements.

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UPL NEW ZEALAND LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	$	$
Cash flow from operating activities		
Cash was provided from/(applied to):		
Receipts from customers	3,159,985	910,415
Interest received	212	36
Payments to suppliers and employees	(3,210,013)	(791,262)
Income tax paid	(47,023)	(17,183)
Net cash from/(used in) operating activities	(96,839)	102,006
Net increase/(decrease) in cash and cash equivalents	(96,839)	102,006
Cash and cash equivalents, beginning of the year	259,284	157,278
Cash and cash equivalents at end of the year	162,445	259,284

These financial statements should be read in conjunction with the notes to the financial statements.

CROWE HORWATH NEW ZEALAND

UPL NEW ZEALAND LIMITED
FOR THE YEAR ENDED 31 MARCH 2017
NOTES TO THE FINANCIAL STATEMENTS

1 **Reporting Entity**

These financial statements comprise the financial statements of UPL New Zealand Limited for the year ended 31 March 2017.

UPL New Zealand Limited is a company registered under the Companies Act 1993, and was incorporated on 16 September 2003.

The company is incorporated, and domiciled in New Zealand.

The financial statements were authorised for issue by the directors on the date noted on page 6.

2 **Basis of Preparation**

(a) **Statement of compliance**
The financial statements have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime (NZ IFRS with RDR), which complies with Generally Accepted Accounting Principles (GAAP) in New Zealand.

The Company has elected to report in accordance with Tier 2 For-profit Accounting Standards as issued by the New Zealand External Reporting Board (XRB). The Company is eligible to report in accordance with Tier 2 For-profit Accounting Standards on the basis that is does not have public accountability and is not a large for-profit public sector entity.These financial statements have been prepared under the Financial Reporting Act 2013.

(b) **Basis of measurement**
The financial statements have been prepared on a historical cost basis, except for assets and liabilities as disclosed below that have been measured at fair value.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) **Presentation currency**
The financial statements are presented in New Zealand dollars, which is the Company's functional currency.

(d) **Comparatives**
The comparative financial period is 12 months. Comparatives have been reclassified from that reported in the 31 March 2016 financial statements where appropriate to ensure consistency with the presentation of the current year's position and performance.

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3 **Summary of significant accounting policies**

The accounting policies of the Company been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of consideration received, excluding GST, rebates and trade discounts.

The following specific recognition criteria must be met before revenue is recognised:

Sale of goods
Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods supplied. Significant risks and rewards are generally considered to be transferred to the buyer when the customer has taken undisputed delivery of the goods.

Interest income
Interest income is recognised as it accrues, using the effective interest method.

(b) **Income Tax**

The income tax expense recognised in profit or loss comprises the sum of deferred tax movements and current tax not recognised in other comprehensive income or directly in equity.

Current income taxes

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustment to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax
Deferred tax is the amount of income tax payable or recoverable in future years in respect of temporary differences and unused tax losses (if any). Temporary differences are differences between the carrying amount of asset and liabilities in the financial statements and the corresponding tax bases used in the consumption of taxable surpluses.

Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability, unless the related transaction is a business combination or affects the tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available in future years, against which the deductible temporary differences or tax losses can be utilised.

Deferred tax (continued)

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects to recover the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of income tax in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

(c) **Foreign currency translation**

Foreign currency transactions are translated into the functional currency of the Company, using exchange rates prevailing at the dates of the transactions (i.e. the spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the reported profit or loss.

(d) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(e) **Trade debtors and other receivables**

Trade debtors are amounts due from customers for goods sold and services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors and other receivables are measured initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for any impairment.

An allowance for impairment is established where there is objective evidence the Company will not be able to collect all amounts due according to the original terms of the receivable.

(f) **Trade and other payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade creditors and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(g) **Inventories**

Inventories are stated at the lower of cost and net realisable value, with due allowance for any damaged and obsolete stock items.

Cost is calculated on an average basis and includes expenditure incurred in acquiring inventories and bringing them to a location and condition available for sale.

Net realisable value is the estimated selling price in the ordinary course of the business, less selling expenses necessary to complete the sale.

(h) **Intangible assets**

Intangible assets, which have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Amortisation is recognised on a straight–line basis over the estimated useful life of the asset, from the date they are available for use and disclosed within "administration" expenses.

The following amortisation rates have been applied to each class of intangible assets:

Trade Marks	5 years

Residual values and useful lives are reviewed at each reporting date.

Intangible assets with finite useful lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

(i) **Impairment of non-financial assets**

At each reporting date, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication of impairment. If any such indication exists for an asset, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Goodwill and other intangible assets with indefinite useful are tested for impairment annually.
An impairment loss is recognised whenever the carrying amount of an asset exceeds is recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the reported profit or loss.

The estimated recoverable amount of an asset is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Any reversal of impairments previously recognised 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.

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NEW ZEALAND

(j) **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 in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, other financial assets, trade creditors and other payables, borrowings, other financial liabilities and derivative financial instruments.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through profit or loss, which are measured at fair value.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

De-recognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Company transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of four categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the categories below, determines the basis for subsequent measurement and the whether any resulting movements in value are recognised in the reported profit/ loss or other comprehensive income.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Company.

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(j) **Financial instruments (continued)**

(ii) *Financial assets at fair value through profit and loss*

Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of non-derivative financial instruments are determined by reference to active market transactions or using a valuation technique where no active market exists.

Subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are subsequently measured at fair value with gains or losses recognised in profit or loss.

(k) **Provisions**

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(l) **Goods and Services Tax (GST)**

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

(m) **Finance Income and Expenses**

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. Interest expense is recognised as it accrues, using the effective interest method.

CROWE HORWATH NEW ZEALAND

4 **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with NZ IFRS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the Company that have a significant effect on the financial statements:

(a) **Impairment**

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

(b) **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted price in active markets, the fair value is measured using valuation techniques including the discounted cash flow 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. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(c) **Deferred tax assets**

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax losses or credits. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full.

		2017	2016
5	**Administration Expenses**	$	$
	Fees Paid to Auditor		
	- Audit Fees	11,000	10,050
	- Accounting Services	5,500	8,000
	- Taxation Services	5,550	3,100
	Other Services	2,789	3,400
	Management Fee (Refer note 10)	24,000	24,000
		48,839	48,550

Number of employees for 2017 Nil (2016: $Nil).
Wages and Salaries paid by the company as at 31 March 2017 (2016: $Nil).

		2017	2016
6	**Other Operating Expenses**	$	$
	Other Expenses	72,699	31,148
	Foreign Exchange Loss	991	4,752
		73,689	35,900

		2017	2016
7	**Net Finance Income**		
	Finance Income	$	$
	Interest Received	212	36
		212	36
	Finance Expense		
	Interest Paid	-	-
	Net Financing (Expense) / Income	212	36

		2017	2016
8	**Income Tax**	$	$
	(a) Components of income tax expense		
	Current year income tax expense	97,790	3,477
	Prior year tax adjustment	(6)	(150)
	Deferred tax movements		
	- unused tax losses	-	-
	- temporary differences	-	-
	Total income tax expense / (credit)	97,784	3,327
	Income tax expense / (credit)	97,784	3,327
	(b) Reconciliation of effective tax rate		
	Profit / (loss) before income tax	349,251	12,417
	Income tax using Company tax rate @ 28%	97,790	3,477
	Adjustments:		
	Temporary Differences	-	-
	Current year income tax expense	97,790	3,477

CROWE HORWATH NEW ZEALAND

8 **Income Tax (continued)**

	2017	2016
(c) Income tax receivable / (payable)	$	$
Opening balance	10,323	(3,533)
Current year tax expense	(97,790)	(3,477)
Prior year tax adjustment	6	150
Terminal tax paid	-	3,383
Provisional tax paid	47,017	13,800
Closing balance receivable / (payable)	(40,444)	10,323

(d) Imputation Credits	2017	2016
	$	$
Opening Balance	129,539	112,356
Plus		
Imputation Account Credits	47,017	17,183
Less		
Imputation Account Debits	-	-
Closing Balance	176,556	129,539

9 **Cash and cash equivalents**

	2017	2016
	$	$
Bank of New Zealand Current Account	144,739	216,216
Bank of New Zealand USD Account	17,706	43,068
	162,445	259,284

10 **Related Party Transactions**

Related party transactions arise when a person(s) has control or significant influence over the reporting entity or where two entities are controlled or jointly controlled by a person(s) that has control or significant influence over the reporting entity.

The Company has a related party relationship with its Shareholders, Directors, key management personnel as well as other related parties as noted below.

UPL Australia Limited is a related party through UPL Limited (India), formerly United Phosphorus Limited (India) - the ultimate parent company.

UPL Gibraltar Limited, is a related party by way of common ownership by UPL Limited (India), formerly United Phosphorus Limited (India) - the ultimate parent company.

UPL Corporation Limited is the parent entity of UPL New Zealand Limited.

Unless otherwise stated transactions with related parties in the years reported have been on an arms-length basis, none of the transactions included special terms, conditions or guarantees.

Transactions with related parties

The following transactions were carried out with related parties:

CROWE HORWATH NEW ZEALAND

10 Related Party Transactions (continued)

(a) Purchase of goods and services

Name of Related Party	Nature of Transactions	2017 $	2016 $
UPL Australia Limited	Purchases	14,239	-
	Management Fee	24,000	24,000
UPL Gibraltar Limited	Purchases	1,983,822	-
	Insurance Recharge	-	258
UPL Corporation Limited (formarly know as Bio-Win Corporation Limited)	Purchases	898,346	708,999
	Insurance Recharge	231	-
	Product Launch Recharge	11,350	-
		2,931,988	733,257

(b) Year end payable balances with related parties

	2017 $	2016 $
UPL Australia Limited	24,000	24,000
UPL Gibraltar Limited	-	-
UPL Corporation Limited	787,602	397,542
	811,602	421,542

These advances are unsecured, non-interest bearing and repayable on demand.

11 Inventories

	2017 $	2016 $
Materials	237,714	409,554
	237,714	409,554

No inventories have been pledged as security over borrowings and other liabilities.

12 Trade and Other Receivables

	2017 $	2016 $
Trade Receivables	1,057,411	82,706
	1,057,411	82,706

The fair value of trade and other receivables are equivalent to the carrying value.

As at 31 March 2015 and 31 March 2016, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

13 Trade and Other Payables

	2017 $	2016 $
Trade Payables	37,067	34,973
	37,067	34,973

CROWE HORWATH NEW ZEALAND

14 **Intangible Assets**

	2017	2016
Trade Marks		
Gross carrying amount	$	$
Opening balance	350	
Additions	-	350
Closing balance	**350**	**350**
Amortisation		
Opening balance	-	-
Current year amortisation	350	-
Closing balance	**350**	**-**
Carrying amount	**-**	**350**

15 **Issued and Unpaid Capital**

	2017	2016
	$	$
100 Ordinary Shares	100	100
100 Unpaid Share Capital	-	(100)
	100	-

The holders of ordinary shares have equal voting rights and share equally in any dividend distribution and any surplus on winding up of the Company.

16 **Capital Commitments**

The Company has no contingent assets or contingent liabilities as at 31 March 2017 (2016: $Nil).

17 **Contingent assets and contingent liabilities**

There were no contingent liabilities at balance date (2016:$Nil).

18 **Events after the reporting period**

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

19 **Financial Instruments**

(a) Carrying value of financial instruments

The carrying amount of all material financial position assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

(b) Classification of financial instruments

All financial assets held by the Company are classified as "loans and receivables" and are carried at cost less accumulated impairment losses.

All financial liabilities held by the Company are carried at amortised cost using the effective interest rate method.

19 **Financial Instruments (continued)**

	Loans and Receivables	Financial Liabilities at amortised cost	2017 Total
Assets	$	$	$
Cash and cash equivalents	162,445	-	162,445
Trade and other receivables	1,057,411	-	1,057,411
Total Assets	1,219,856	-	1,219,856
Liabilities			
Trade and other payables	-	37,067	37,067
Related Party Payables	-	811,602	811,602
Total Liabilities	-	848,669	848,669

	Loans and Receivables	Financial Liabilities at amortised cost	2016 Total
Assets	$	$	$
Cash and cash equivalents	259,284	-	259,284
Trade and other receivables	82,706	-	82,706
Total Assets	341,990	-	341,990
Liabilities			
Trade and other payables	-	34,973	34,973
Related Party Payables	-	421,542	421,542
Total Liabilities	-	456,515	456,515

20 **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors. UPL New Zealand Limited is internally reported as a single operating segment to the chief operating decision-maker hence no further segments have been reported.

The Company operates predominantly in the sale of agrochemicals industry. All operations are carried out within New Zealand.

CROWE HORWATH NEW ZEALAND