IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the offering circular (this "**Offering Circular**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of this Offering Circular. In accessing this Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED HEREIN.

Confirmation of your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the Notes described herein, investors must not be located in the United States. The Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to J.P. Morgan Securities plc, Merrill Lynch (Singapore) Pte. Ltd., MUFG Securities EMEA plc, Citigroup Global Markets Limited, Coöperatieve Rabobank U.A, Hong Kong Branch, Société Générale and UBS AG Singapore Branch (together, the "**Joint Bookrunners**" or the "**Joint Lead Managers**") that your stated electronic mail address to which this e-mail has been delivered is not located in the United States and that you consent to delivery of this Offering Circular by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular to any other person.

The materials relating to the offering of the Notes do not constitute, and may not be used in connection with, an offer or solicitation by or on behalf of the Issuer (as defined in this Offering Circular) and the Joint Lead Managers in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of the Notes be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers are licensed brokers or dealers in that jurisdiction, the offering of the Notes shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Joint Lead Managers, nor any person who controls any of them nor any of their respective directors, officers, employees, agents or affiliates accepts any liability or responsibility whatsoever in respect of any difference between this Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers. You are responsible for protecting against viruses and other destructive items. Your use of this electronic mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Mauritius Financial Services Commission is not responsible for the contents of this Offering Circular and shall not be liable to any action in damages suffered in connection with this Offering Circular.

UPL Corporation Limited

(a public limited company incorporated under the laws of Mauritius)

U.S.$500,000,000 4.625 per cent. Senior Notes due 2030

Issue price: 99.565 per cent.

The 4.625 per cent. senior notes due 2030 in the aggregate principal amount of U.S.$500,000,000 (the "**Notes**") will be issued by UPL Corporation Limited (the "**Issuer**" or the "**Company**") on 16 June 2020 (the "**Issue Date**"). The Notes will constitute direct, unconditional, unsubordinated, unsecured and senior obligations of the Issuer and shall, save for exceptions as may be provided by mandatory provisions of applicable law, at all times rank pari passu without any preference among themselves. The payment obligations of the Issuer under the Notes shall rank senior to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes and at least *pari passu* with all other unsecured, unsubordinated obligations of the Issuer (subject to any priority rights of such unsecured, unsubordinated obligations pursuant to applicable law). The Notes will be effectively subordinated to the secured obligations of the Issuer, to the extent of the value of the assets serving as security therefor, and to the debt and other liabilities of the current and future subsidiaries of the Issuer (other than any Subsidiary Guarantor).

The Notes will be constituted by a trust deed (the "**Trust Deed**") between the Issuer and Citicorp International Limited (the "**Trustee**") dated the Issue Date and will bear interest at the rate of 4.625 per cent. per annum of the principal amount of the Notes, payable semi-annually in arrear on the interest payment dates falling on 16 June and 16 December each year, with the first interest payment date falling on 16 December 2020.

The Issuer will have the option to redeem all or a portion of the Notes at any time at the redemption price set forth in the terms and conditions (the "**Terms and Conditions**" or the "**Conditions**"). Subject to applicable law, the Issuer may also redeem the Notes at any time in the event of certain changes in tax law. Upon the occurrence of a Change of Control Triggering Event, subject to applicable law, the Issuer will offer to repurchase the outstanding Notes at a price equal to 101% of their principal amount plus accrued and unpaid interest. The Notes will be issued only in registered form in the minimum denomination of U.S.$200,000 of principal amount and integral multiples of U.S.$1,000 in excess thereof. For a more detailed description of the Notes, see "*The Offering*" beginning on page 12 and "*Terms and Conditions of the Notes*" beginning on page 96.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of, and quotation for, the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Admission to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries and associated companies or the Notes. The Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX ST so require.

Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 15.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Notes are being offered outside the United States in accordance with Regulation S under the Securities Act ("**Regulation S**") and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of these and certain further restrictions on offers and sales of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Notes are expected to be rated "Baa3" by Moody's Investors Service, Inc. ("**Moody's**"), "BBB-" by Fitch Ratings Inc. ("**Fitch**") and "BBB-" by S&P Global Ratings, a division of S&P Global Inc. ("**S&P**"). Such ratings of the Notes do not constitute a recommendation to buy, sell or hold the Notes and may be subject to revision or withdrawal at any time by either such rating organisation. Each such rating should be evaluated independently of any other rating of the Notes, the Issuer's other Notes or of the Issuer.

The Notes will initially be represented by beneficial interests in a global certificate (the "**Global Certificate**") in registered form which will be registered in the name of a nominee of, and shall be deposited on or about the Issue Date with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Except as described in the Global Certificate, definitive certificates for the Notes will not be issued in exchange for interests in the Global Certificate.

IMPORTANT – EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Singapore SFA Product Classification – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Joint Global Coordinators and Joint Bookrunners

BofA Securities **J.P. Morgan** **MUFG**

Citigroup **Rabobank** **Société Générale Corporate & Investment Banking** **UBS**

The date of this Offering Circular is 9 June 2020.

IMPORTANT NOTICE

This Offering Circular includes particulars given in compliance with the rules of the SGX-ST for the purpose of giving information with regard to the Issuer and its subsidiaries (together with the Issuer, the "**Group**"), its joint ventures and associates and the Notes. The Issuer accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

SGX-ST takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Each person receiving this Offering Circular acknowledges that such person has not relied on the managers named in the section entitled "*Subscription and Sale*" (each a "**Joint Lead Manager**" or "**Joint Bookrunner**" and together, the "**Joint Lead Managers**" or "**Joint Bookrunners**"), any other person affiliated with the Joint Lead Managers, the Trustee (as defined in the section entitled "*Terms and Conditions of the Notes*") or the Agents (as defined in the Terms and Conditions) in connection with its investigation of the accuracy of such information or its investment decision.

No person has been or is authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers. The delivery of this Offering Circular at any time does not imply that the information contained herein is correct as at any time subsequent to its date. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, any of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers to subscribe for or purchase, any of the Notes and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, and the Joint Lead Managers to inform themselves about and to observe any such restrictions. Distribution of this Offering Circular to any person other than the recipient is prohibited. For a description of certain further restrictions on offers and sales of Notes and the distribution of this Offering Circular, see "*Subscription and Sale*".

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers has independently verified the information contained in this Offering Circular. Accordingly, no representation or warranty, express or implied, is made or given by any of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by any of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by the Issuer, any of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers that any recipient of this Offering Circular should purchase the Notes. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the Group (as defined below) and the merits and risks involved in investing the Notes. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Notes.

Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisors as it deems necessary.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers accepts any responsibility for the contents of this Offering Circular. Each of the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers, employees, representatives, agents or advisers accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers undertakes to review the results of operations, financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers.

IN CONNECTION WITH THE ISSUE OF THE NOTES, MUFG SECURITIES EMEA PLC (THE "**STABILISATION MANAGER**") OR ANY PERSON ACTING ON ITS BEHALF MAY, SUBJECT TO APPLICABLE LAWS, OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISATION MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILISATION MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

None of the Issuer, the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers is making any representation to any offeree or purchaser of the Notes offered hereby regarding the legality of any investment by such offeree or purchaser under applicable legal investment or similar laws. Each prospective purchaser of the Notes should consult with its own advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes.

The distribution of this Offering Circular and the offer and sale of the Notes may, in certain jurisdictions, be restricted by law. Each purchaser of the Notes must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Offering Circular, and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes purchases, offers or sales. There are restrictions on the offer and sale of the Notes, and the circulation of documents relating thereto, in certain jurisdictions, including the United States, the European Economic Area, the United Kingdom, Hong Kong, the PRC, Japan and Singapore, and to persons connected therewith. See "*Subscription and Sale*".

PRESENTATION OF FINANCIAL INFORMATION

Financial Information

This Offering Circular contains the selected consolidated income statement information and consolidated statement of financial position information as of and for the years ended 31 March 2018, 31 March 2019 and 31 March 2020 of the Group, which have been derived from the Issuer's audited consolidated financial statements as of and for the years ended 31 March 2019 and 31 March 2020 prepared in accordance with the International Financial Reporting Standards (the "**IFRS**") as issued by the International Accounting Standards Board (the "**IASB**") and the requirements of the Companies Act 2001. The audited consolidated financial statements as of and for the year ended 31 March 2018 (the "**FY2018 Financial Statements**") and the audited consolidated financial statements as of and for the year ended 31 March 2019 (the "**FY2019 Financial Statements**") were audited by Crowe Horwath ATA, and the audited consolidated financial statements as of and for the year ended 31 March 2020 (the "**FY2020 Financial Statements**") were audited by KPMG, in accordance with the International Standards on Auditing which are each included elsewhere in this Offering Circular.

The Issuer's financial information has been prepared in accordance with the IFRS. Prospective investors should read the selected financial data presented in the "*Selected Financial Information*" in conjunction with "*Use of Proceeds*", "*Capitalisation*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the Issuer's consolidated financial statements and the related notes thereto, included elsewhere in this Offering Circular.

In this Offering Circular, references to "**FY**" prior to a year refer to the financial year ended 31 March of that year. For example, "**FY2018**, "**FY2019**" and "**FY2020**" refer to the financial years ended 31 March 2018, 2019 and 2020, respectively.

The Issuer has carried out certain reclassifications and corrections of errors ("**restatements**") in the FY2020 Financial Statements pertaining to FY2019.

Correction of Errors

The Issuer had in the FY2020 Financial Statements carried out certain restatements for the financial statements as of and for the year ended 31 March 2019 because the management noted that there were classification inconsistencies on the consolidated financial statements which are included as comparatives in the FY2020 Financial Statements as compared to the classification in the FY2019 Financial Statements. In connection with the foregoing, the consolidated statement of financial position as of 31 March 2018 has also been restated as of 1 April 2018. For more information, please refer to Notes 46(A) and 46(C) of the FY2020 Financial Statements.

In connection with the foregoing restatements, the consolidated income statement information of FY2018 has been reclassified solely in this Offering Circular to ensure that they are directly comparable to the consolidated income statement information for FY2019 and FY2020. The Group believes that the restatements do not impact the Group's net profits, net worth or net debt.

Revision pursuant to finalization of Arysta Purchase Price Allocation

On 31 January 2019, the Group acquired the entire share capital of Arysta Lifescience Inc., a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result, the Group obtained control of Arysta and its subsidiaries. In the FY2019 Financial Statements, the amounts of assets and liabilities recognised for Arysta were all provisional, as valuation activity was ongoing considering nature and size of Arysta's market presence. In the FY2020 Financial Statements, the Issuer has retrospectively revised the comparative balance sheet amounts as at 31 March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities. For more information, please refer to Notes 46(B) of the FY2020 Financial Statements.

The Issuer's financial information as of FY2019 contained in the Issuer's FY2020 Financial Statements have been restated and revised. Unless otherwise specified, all references in this Offering Circular to the financial information of the Issuer as of and for FY2019 are derived from the FY2020 Financial Statements.

Such restatements described above have not been carried out for the FY2018 Financial Statements or the FY2019 Financial Statements included elsewhere in this Offering Circular. Accordingly, the FY2018 Financial Statements and the FY2019 Financial Statements have not been restated, revised or reclassified for the purposes of the above changes and are therefore not directly comparable to the FY2020 Financial Statements included in this Offering Circular.

Non-GAAP measures

See "*Selected Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" for a description of certain non-GAAP measures and ratios, including EBITDA and certain financial ratios, used in this Offering Circular. The non-GAAP measures presented in this Offering Circular are supplemental measures of the Issuer's performance that are not required by, or presented in accordance with, IFRS and should not be considered as an alternative to net profit, operating profit or any other performance measures derived in accordance with IFRS. They have limitations as analytical tools, and investors should not consider them in isolation from, or as a substitute for, your own analysis of the Issuer's financial condition or results of operations, as reported under IFRS. These non-GAAP measures are not standardised terms, hence a direct comparison between companies using such terms may not be possible.

PRESENTATION OF INDUSTRY AND MARKET DATA

In this Offering Circular, the Issuer relies on and refers to information regarding its business and the markets in which the Issuer operates and competes. The market data and certain economic and industry data and forecasts used in this Offering Circular were obtained from governmental and other publicly available information and industry publications, including industry and market data published by IHS Markit and other third-party sources. In particular, the Issuer bases its estimates on the growth of the markets in which the Issuer operates and its respective market share on a combination of internal market analysis, expert interviews and, to the extent available, external empirical analyses such as IHS Markit which allows the Issuer to also estimate its market position. The Issuer calculates its current market share across products by comparing its sales volume to the estimated total volume of the market, derived from external market analyses provided by IHS Markit.

Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that there can be no assurance as to the accuracy and completeness of such information. The Issuer believes that these industry publications, surveys and forecasts are reliable, but the Issuer has not independently verified any of the data from third party sources. The information from IHS Markit in this Offering Circular has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from such information, no facts have been omitted which would render the information reproduced herein inaccurate or misleading. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this Offering Circular.

There can be no assurance that any of the assumptions underlying any statements regarding the crop protection products industry are accurate or correctly reflect the Issuer's position in the industry. Market data and statistics are inherently predictive and speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, the market statistics included in this Offering Circular should be viewed with caution and no representation or warranty is given by any person, including the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers, as to their accuracy.

Elsewhere in this Offering Circular, statements regarding the crop protection products industry are not based on published statistical data or information obtained from independent third parties, but are based solely on the Issuer's experience, its internal studies and estimates, and its own investigation of market conditions. There can be no assurance that any of these studies or estimates are accurate, and none of the Issuer's internal surveys or information have been verified by any independent sources. While the Issuer is not aware of any misstatements regarding the Issuer's estimates presented herein, the Issuer's estimates involve risks, assumptions and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this Offering Circular.

IHS Markit reports, data and information referenced herein (the "IHS Markit Materials") are the copyrighted property of IHS Markit Ltd. and its subsidiaries ("IHS Markit"). The IHS Markit Materials are from sources considered reliable; however, the accuracy and completeness thereof are not warranted, nor are the opinions and analyses published by IHS Markit representations of fact. The IHS Markit Materials speak as of the original publication date thereof and are subject to change without notice. IHS Markit and other trademarks appearing in the IHS Markit Materials are the property of IHS Markit or their respective owners.

CERTAIN DEFINITIONS

In this Offering Circular, references to "**India**" are to the Republic of India, references to "**Indian Government**" or the "**GoI**" are to the Government of India and references to the "**RBI**" are to the Reserve Bank of India as constituted under the Reserve Bank of India Act, 1934 of the Republic of India. References to specific data applicable to particular subsidiaries or other consolidated entities are made by reference to the name of that particular entity.

Unless otherwise specified or the context requires, references in this Offering Circular to the "**Issuer**" is to UPL Corporation Limited, and references to the "**Group**" are to the Issuer and its consolidated subsidiaries, as the context requires.

All references in this document to "**U.S. dollars**" and "**U.S.$**" refer to United States dollars; all references to "**Rupee**", "**Rupees**", "**INR**", "**Rs.**" and "**₹**" refer to Indian Rupees; all references to "**Singapore dollars**", "**S$**" and "**SGD**" refer to Singapore dollars; all references to "**Sterling**", "**GBP**" and "**£**" refer to pounds sterling; all references to "**euro**", "**EUR**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Community, as amended.

In this Offering Circular, where information has been presented in millions or billions of units, amounts may have been rounded, in the case of information presented in millions, to the nearest ten thousand or one hundred thousand units or, in the case of information presented in billions, one, ten or one hundred million units. Accordingly, the totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is incorporated under the laws of Mauritius.

Some of the Issuer's directors, officers and other executives are neither residents nor citizens of the United Kingdom. Furthermore, most of the Issuer's assets are located outside the United Kingdom. As a result, it may not be possible for investors to effect service of process within the United Kingdom upon such persons or the Issuer or to enforce against them or us, judgements of English courts predicated upon the civil liability provisions of English securities laws despite the fact that, pursuant to the terms of the Trust Deed, the Issuer has appointed, or will appoint, an agent for the service of process in England. It may be possible for investors to effect service of process within other jurisdictions upon those persons or the Issuer provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of 15 November 1965 is complied with.

Mauritius

The courts of Mauritius will recognise, enforce and give effect to any final and conclusive judgement of the courts of England for a definite sum (not being a sum payable in respect of taxes or other charges of a like nature, in respect of a fine or other penalty, or in respect of multiple damages) upon exequatur proceedings without a re-examination of the merits of the case, provided that: (i) the foreign judgement is still valid, final and capable of execution in the jurisdiction in which it was delivered, notwithstanding that an appeal may be pending against it or it may still be subject to an appeal in such country; (ii) the foreign judgement is not contrary to any principle affecting public policy in Mauritius; (iii) the foreign court which delivered the said judgement had jurisdiction to hear the claim; (iv) the Mauritian conflict of laws rules were respected; (v) there has not been any fraude à la loi, i.e. any malice, bad faith and fraud on and in the choice of law and jurisdiction clauses; (vi) the Company (as applicable) had been regularly summoned to attend the proceedings before the foreign court; and (vii) the foreign judgement is duly registered with the relevant authority in Mauritius, in circumstances in which its registration is not liable, thereafter, to be set aside.

NOTICE TO MAURITIAN INVESTORS

The Notes may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Offering Memorandum, nor any offering material or information contained herein relating to the offer of the Notes, may be released or issued to the public in Mauritius or used in connection with any such offer. This Offering Memorandum does not constitute an offer to sell the Notes to the public in Mauritius.

The Mauritius Financial Services Commission is not responsible for the contents of this Offering Memorandum and shall not be liable to any action in damages suffered in connection with this Offering Memorandum.

REQUIREMENTS OF THE COMPANIES ACT 2001 AS REGARDS THE ISSUE, TRANSFER AND SECURING SECURITIES UNDER MAURITIUS LAW

Where a Mauritius issuer issues securities, it must keep at its registered office a register of holders of the securities which must contain (a) the names and addresses of the holders of securities and (b) the amount of securities held by them. The register must, except when duly closed, be open to the inspection of a holder of securities.

A register will be deemed to be duly closed if closed in accordance with a provision contained in the terms and conditions of the securities, the agency deed or any other document relating to or securing the securities during such period not exceeding in the aggregate thirty (30) days in any year as is specified in such document. An "agency deed" means a deed executed by a company or the representative of holders of the securities in relation to the issue of securities and includes a supplemental document, resolution or scheme of arrangement modifying the terms of the deed and a deed substituted therefore.

REQUIREMENTS OF NOTEHOLDERS' REPRESENTATIVE

Pursuant to the Noteholders' Representative Appointment Letter dated on or about 9 June 2020 (the "**Appointment Letter**") entered into between the Issuer and Gilbert Noël, Senior Partner, of LX Legal, Suite 401, St James Court, Port Louis, Mauritius (the "**Noteholders' Representative**"), the Issuer has appointed the Noteholders' Representative to act as the "Security Representative" of the Noteholders and to act as such with respect to the Notes pursuant to the Mauritius Companies Act 2001 (the "**Companies Act 2001**") with respect to the Notes, and the Noteholders' Representative will accept such appointment as the noteholders' representative.

Under the Company Act 2001, where a Mauritius issuer issues notes of the same class to more than twenty-five (25) persons, or to any one or more persons with a view to the notes or any of them being offered for sale to more than twenty-five (25) persons, it must before issuing any of the notes sign under its seal an agency deed and procure the signature to the deed by a person qualified to act as a noteholders' representative.

The Companies Act 2001 also provides that no person shall be qualified to act as a noteholders' representative unless he is: (i) a notary; (ii) a banking company; (iii) an attorney-at-law; (iv) an insurance company; (v) a qualified auditor; or (vi) an investment trust company, finance or other corporation or person approved in writing by the Minister of Finance for purpose of section 121 of the Companies Act 2001, either generally or in respect of a particular issue.

Pursuant to the Trust Deed, the Noteholders' Representative will transfer, assign and convey all the rights, powers, authority and discretions vested in it under the Mauritius Companies Act 2001 to the Trustee and the Trustee will accept the foregoing rights, powers, authority and discretions in accordance with the terms of the Trust Deed and applicable law. The Noteholders' Representative, as noteholders' representative, will assume and will agree to perform fully the duties, obligations and responsibilities expressly specified under the Mauritius Companies Act 2001 (and no others shall be implied). Notwithstanding the foregoing, any action whatsoever to be undertaken by the Noteholders' Representative under or as contemplated in the Trust Deed shall be undertaken by the Noteholders' Representative only on the prior written instructions of the Trustee and not otherwise. The Noteholders' Representative shall be entitled to request instructions, or clarification of any instruction, from the Trustee as to whether, and in what manner, it should take any action or refrain from taking any action and the Noteholders' Representative may refrain from acting unless and until it receives those instructions or that clarification.

FORWARD-LOOKING STATEMENTS

There are statements in this Offering Circular which contain words and phrases such as "aim", "anticipate", "assume", "believe", "contemplate", "continue", "estimate", "expect", "future", "goal", "intend", "may", "objective", "predict", "positioned", "project", "risk", "seek to", "shall", "should", "will likely result", "will pursue", "plan" and words and terms of similar substance used in connection with any discussion of future operating or financial performance or the Group's expectations, plans, projections or business prospects identify forward-looking statements. In particular, the statements under the headings "*Risk Factors*" and "*Description of the Issuer*" regarding the Group's financial condition and other future events or prospects are forward-looking statements. All forward-looking statements are management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.

In addition to the risks under "*Risk Factors*", other factors could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to:

- unfavourable climate and weather conditions;
- economic developments;
- the impact of outbreaks of contagious diseases (including the prolonged outbreak of COVID-19);
- extensive regulation of crop protection products;
- volatility in the prices of raw materials and fuel on which the Issuer relies;
- carrying cost of inventory of raw materials, work in progress and finished goods;
- reliance on certain key distributors and customers;
- reliance on the Issuer's parent UPL Limited ("**UPL**");
- introduction of alternative crop protection measures;
- competition;
- rising sale of counterfeit products;
- changes in legislation or policies related to tax, customs, international trade and export;
- controls applicable to us;
- changes in agricultural policies;
- risks associated with the environmental and health and safety laws and other government;
- regulations to which the Issuer is subject;
- the Issuer's ability to obtain, protect and leverage intellectual property rights;
- legal claims against us;
- potential liabilities that may not be covered by insurance;
- security breaches of the Issuer's information systems;

- the Issuer's inability to recruit and retain skilled management personnel;
- risks associated with any labour unrest;
- risks associated with failure to comply with anti-bribery and anti-corruption laws;
- risks associated with foreign exchange rate fluctuations and hedging;
- other risks associated with the Issuer's financial profile and the Notes; and
- other factors discussed or referred to in this Offering Circular.

By their nature, certain disclosures relating to these and other risks are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on the Group's income or results of operations could materially differ from those that have been estimated. For example, turnover could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realised.

Investors are cautioned not to place undue reliance on the forward-looking statements, which speak only as at the date of this Offering Circular. Except as required by law, the Group is not under any obligation, and expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

All subsequent forward-looking statements attributable to the Group or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Offering Circular.

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THE OFFERING

This is a summary of the Terms and Conditions. Please refer to "Terms and Conditions of the Notes" for a detailed description of the Terms and Conditions. Capitalised terms used in this summary and not otherwise defined shall have the meanings given to them in "Terms and Conditions of the Notes".

Issuer	UPL Corporation Limited
Issue	U.S.$500,000,000 Senior Notes due 2030.
Status	The Notes will constitute direct, unconditional, unsubordinated, unsecured and senior obligations of the Issuer and shall, save for exceptions as may be provided by mandatory provisions of applicable law, at all times rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Notes shall rank senior to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes and at least *pari passu* with all other unsecured, unsubordinated obligations of the Issuer (subject to any priority rights of such unsecured, unsubordinated obligations pursuant to applicable law). The Notes will be effectively subordinated to the secured obligations of the Issuer, to the extent of the value of the assets serving as security therefor, and to the debt and other liabilities of the current and future subsidiaries of the Issuer (other than any Subsidiary Guarantor).
Issue Price	99.565 per cent.
Interest Payments	The Notes will bear interest at a rate of 4.625 per cent. per annum, payable semi-annually in arrear on 16 June and 16 December each year, commencing on 16 December 2020.
Optional Redemption	The Issuer may redeem some or all of the Notes at any time at a redemption price equal to the greater of (1) the principal amount of the Notes and (2) the sum of the present values of the remaining scheduled payments of the Notes to be redeemed, plus accrued and unpaid interest to the redemption date. See Condition 6(b) of the Terms and Conditions.
Change of Control Triggering Event	Upon a Change of Control Triggering Event (as defined under Condition 19 of the Terms and Conditions), the Issuer will be required to make an offer to purchase the Notes then outstanding at a purchase price equal to 101 per cent. of their principal amount, plus accrued and unpaid interest, if any, to (but not including) the date of purchase. The Issuer may not have sufficient funds available at the time of any Change of Control Triggering Event to make any required debt repayment (including purchases of the notes). See Condition 6(d) of the Terms and Conditions.

Redemption for Tax Reasons	The Issuer may redeem the Notes, in whole but not in part, at a redemption price equal to 100 per cent. of the principal amount thereof, together with accrued and unpaid interest, if any, to (but not including) the date fixed by the Issuer for redemption, if the Issuer or any Subsidiary Guarantor, if any, would become obliged to pay certain additional amounts as a result of certain changes in specified tax laws. See Condition 6(c) of the Terms and Conditions.
Certain Covenants	The Terms and Conditions will contain covenants limiting the Issuer's and its subsidiaries' ability to: • incur additional Priority Indebtedness; • enter into transactions with shareholders or affiliates; • conduct an asset sale; and • consolidate, merge with, or convey, transfer or lease substantially all of their assets to, another person. These covenants are subject to important exceptions and qualifications as described in Condition 4 of the Terms and Conditions.
Form and Denomination	The Notes will be issued in registered form in denomination of U.S.$200,000 of principal amount and integral multiples of U.S.$1,000 in excess thereof.
Governing Law	The Trust Deed, the Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and shall be construed in accordance with, English law.
Rating	The Notes are expected to be rated "Baa3" by Moody's, "BBB-" by Fitch and "BBB-" by S&P. Such ratings of the Notes do not constitute a recommendation to buy, sell or hold the Notes and may be subject to revision or withdrawal at any time by either such rating organisation.
Clearing systems	The Notes will initially be represented by beneficial interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with, a common depositary for, Euroclear and Clearstream, Luxembourg. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream, Luxembourg. Except as described in the Global Certificate, definitive certificates for the Notes will not be issued in exchange for interests in the Global Certificate.

Clearance and settlement	The Notes have been accepted for clearance by Euroclear and Clearstream, Luxembourg under the following codes: ISIN: XS2189565992 Common Code: 218956599
Legal Entity Identifier	213800AQLATW4WEEH674
Trustee	Citicorp International Limited.
Registrar	Citibank, N.A., London Branch.
Principal Paying Agent, Transfer Agent and Calculation Agent	Citibank, N.A., London Branch.
Listing	Approval in-principle has been received from the SGX-ST for the listing of, and quotation for the Notes on the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.
Use of Proceeds	See "*Use of Proceeds*".

RISK FACTORS

An investment in the Notes is subject to significant risks. Prospective investors should carefully consider the risks and uncertainties described below and the information contained elsewhere in this Offering Circular before making an investment in the Notes. The risks described below are not the only risks relating to or affecting the Issuer. The Issuer's business, financial condition and results of operations could be materially adversely affected by any of these risks. There are a number of factors, including those described below, that may materially adversely affect the Issuer's ability to make payments on the Notes. Additional risks not presently known to the Issuer or that the Issuer currently deems immaterial may also impair its business, financial condition and/or results of operations. The market price of the Notes could decline due to any of these risks and you may lose all or part of your investment. In this Offering Circular, the words "the Issuer" refers to UPL Corporation Limited together with its subsidiaries on a consolidated basis, except where otherwise specified or clear from the context.

Risks Relating to the Issuer's Business and Industry

The global outbreak of COVID-19 has, and will continue to, adversely affect the Issuer's business.

The Issuer's business has been, and will continue to be, adversely affected by the global outbreak of COVID-19. The outbreak of COVID-19 commenced in early 2020 and was declared a pandemic by the World Health Organisation on 11 March 2020. The governments of various countries, including countries in which we operate or conduct business, imposed various forms of lockdown to contain the outbreak of COVID-19 and there have been several restrictions imposed by the various governments across the globe on travel, goods, movement and transportation in consideration of public health and safety measures. Such restrictions may continue to impact the operations of the Issuer if further restrictions are imposed by the relevant regulatory authorities. Any enhanced regulatory requirements on movement of people and goods across state and country borders due to lock down imposed in several of LATAM, African and European countries may further impact business activities.

While the Issuer follows a multi-sourcing strategy for active ingredients and raw materials, there can be no assurance that there will be no disruption to the Issuer's supply of active ingredients and raw materials. Any failure to obtain alternative supply or maintain a reliable supply chain could severely impact the Issuer's business, results of operations, financial condition and prospects. In addition, there could also be deferment of purchase of the Issuer's products by the final customers or request for an extension of credit term. Any fall in demand of the Issuer's products is expected to have an impact on our sales for the three months ending 30 June 2020, and there can be no assurance that the Issuer's financial performance as at and for the three months ending 30 June 2020 and the year ending 31 March 2021 will not be materially and adversely affected.

The evolving COVID-19 situation, together with continuing political and economic uncertainties, will affect global operating conditions in 2020. Prices across a broad range of commodities have fallen post the outbreak of COVID-19, with heightened volatility in these prices and potential for increased counterparty risks from the Issuer's customers.

To the extent the COVID-19 pandemic adversely affects the Issuer's business operations, financial condition, results of operations and prospects, it may also have the effect of heightening many of the other risks described in this section entitled "Risk Factors", such as those relating to the Issuer's high level of indebtedness, its need to generate sufficient cash flows to service its indebtedness, and its ability to comply with the covenants contained in the agreements that govern its indebtedness.

Durations of border controls, travel and movement restrictions, and the longer-term effects of the COVID-19 pandemic on the Issuer's businesses are uncertain. A significant reduction in economic activity and increased unemployment may adversely affect the Issuer's business operations, financial condition, results of operations and prospects.

Unfavourable climate and weather conditions may impact the demand for products of the Issuer.

The agriculture industry is seasonal and cyclical in nature and the Issuer's customers are subject to unfavourable climate and weather conditions, including low or excessive rainfall, frost or natural disasters. The Issuer's results of operations are significantly affected by weather conditions in the regions in which its products are used. The sale of the Issuer's products relates directly to the volume of crops planted. If climate and weather conditions are less favourable than expected, there may be reduced customer demand for the Issuer's crop protection products, which could severely impact the Issuer's business, results of operations, financial condition or prospects. Adverse conditions early in the season, especially drought conditions, can result in significantly lower than normal plantings of crops and therefore lower demand for crop protection products. This can result in the Issuer's sales in a particular region falling substantially from year to year. Weather conditions can also result in earlier or later plantings, which may affect both the timing and volume of the Issuer's sales or the product mix. The effects of adverse weather conditions in the later parts of the cropping cycle can still be material. For example, prolonged dry conditions post-planting tends to reduce the demand for fungicides. Adverse weather conditions can also cause the presence of diseases and pest infestations in the short term, which may affect the effectiveness of the Issuer's products. In addition, global warming and other changes in climate make it more difficult for the Issuer to rely on weather forecasts and its operations are relatively unpredictable and actual outcome may be different from its projections. The effects of weather conditions on the Issuer's business cause its results of operations to become relatively unpredictable from period to period. While the Issuer's geographic diversification reduces its exposure to adverse conditions in any single region, there can be no assurance that a poor year in one of its key regions will be offset by better conditions in other regions. Adverse conditions in multiple markets in the same year could have a material adverse effect on the Issuer's results of operations and financial condition. The Issuer may not be able to identify, adhere to or address the various shifts in environmental, social and governance (ESG) preferences or requirements, as well as the changing expectations of key stakeholders about climate change, diversity and inclusion, and other sustainability issues, which may result in lower demand of the Issuer's products. Any fall in demand of the Issuer's products may have a material adverse effect on the Issuer's results of operations and financial condition.

Global economic conditions affect the demand for the Issuer's products and its access to credit.

Global economic slowdown could adversely affect demand for the Issuer's products or reduce its access to credit, all of which could adversely impact its business, results of operations, financial condition and cash flows. General business and economic drivers that could affect the Issuer include short-term and long-term interest rates, unemployment, inflation and fluctuations in debt markets. Such conditions could also adversely affect its suppliers and its customers. While currently these conditions have not impaired the Issuer's ability to access credit markets and finance its operations, there can be no assurance that there will not be deterioration in these economic and financial conditions, which could in turn affect its ability to access the credit markets and finance its operations.

There could be a number of other negative effects from global economic slowdown on the Issuer's business, including the insolvency of its suppliers and customers, resulting in lack of raw material supply or increased provisions for credit losses, and reduced customer demand for its products, including order delays or cancellations and counterparty failures negatively impacting its operations. In addition, global economic slowdown and market instability could make it more difficult for the Issuer, its customers and its suppliers to accurately forecast future product demand trends, which could cause the Issuer to produce an excess amount of products that could in turn increase its inventory carrying costs.

Government policies and regulations affecting the crop protection products industry could adversely affect the Issuer's operations and profitability.

Agricultural chemical production and trade flows are significantly affected by government policies and regulations. Government policies affecting the crop protection products industry can influence industry profitability, and the volume and types of imports and exports. For example, the Ministry of Agriculture and Farmer Welfare of India had on 14 May 2020 issued a draft order, proposing a ban on import, manufacturing, sale, transport and distribution of 27 insecticides currently registered in India. The Government of India has given the public 45 days to raise objections on the draft order and industry participants are currently in consultation with the relevant authorities arguing either for no ban or a reduction in the range of insecticides which are sought to be banned. While the proposed notification, if enacted with no changes, would prohibit the sale of some of the Issuer's products in India, the Issuer primarily exports such products for the international markets which is not within the scope of the proposed notification. However, there can be no assurance that such rules, if made more stringent or if such a ban is extended to exports which is not currently contemplated, may have an adverse impact on the Issuer's results of operations and financial condition.

The crop protection products industry is subject to a very stringent regulatory environment including extensive regulations for obtaining product registrations. The Issuer may not be able to obtain or maintain the necessary regulatory approvals for some of its products, which could restrict its ability to sell the products in some markets.

The Issuer is subject to strict norms governing registration of crop protection products. Crop protection products must receive regulatory approval before they can be sold, but the Issuer may not be able to obtain such approvals in a timely manner or at all. In all markets the Issuer operates in, including the United States and the European Union, crop protection products must be registered after being tested for safety, efficacy and environmental impact. In most of the Issuer's markets, crop protection products must also be re-registered after a period of time to show that they meet all current regulatory standards, which may have become more stringent since the initial registration of the product. Compliance with registration requirements, which vary from country to country and some of which are becoming stricter over time, involves significant investments of time and resources, and the Issuer may not be able to obtain such approvals. In most markets, including the United States and the European Union, crop protection and seed products must be registered after being tested for safety and environmental impact. Some markets also require products to be tested for efficacy prior to registration. The submission of an application to a regulatory authority does not guarantee that registration will be granted. Each authority may impose its own requirements and/or delay or refuse to grant registration, even when a product has already been approved in another country. In the Issuer's principal markets, the registration process increases the cost of developing new products and there is a risk that it will not succeed in selling them. In the past, there have been instances where the Issuer's products were found to have violated certain regulations relating to the environment.

Regulatory standards and trial procedures are continuously changing and responding to these changes and meeting existing and new requirements may be costly and burdensome for the Issuer. In addition, the changing regulatory standards may affect its ability to sell the products in the market. If the Issuer is unable to obtain all of the necessary approvals for its products, or if it is unable to register or re-register the products, its ability to sell products in some markets would be limited, which could have an adverse effect on its business, financial condition and results of operations. The Issuer also relies on third party service providers to conduct such trial procedures who may not complete such trials on schedule or in accordance with the regulatory requirements, which may lead to delays in the sale of its products. Any failure to obtain or maintain the necessary regulatory approvals for its products and changes to regulatory standards could severely impact the Issuer's business, results of operations, financial condition and prospects.

The Issuer is subject to risks associated with legal proceedings and governmental and tax investigations, including potential adverse publicity as a result thereof.

The Issuer is and may be involved from time to time in civil, labour, administrative or tax proceedings arising in the ordinary course of business. It is not possible to predict the potential for, or the ultimate outcomes of, such proceedings, some of which may be unfavourable to the Issuer. In such cases, it may incur costs and any mitigating measures (including provisions taken on its balance sheet) adopted to protect against the impact of such costs may not be adequate or sufficient.

On 22 January 2020, the Income Tax Department of the Indian government conducted a search at the offices and premises of UPL Limited. It was fully cooperative with the tax authorities in their search. UPL Limited has not heard back from the authorities since the searches. While it is not possible to anticipate the result of such searches, it is possible that tax authorities may challenge certain tax positions of the Group. The search by the Income Tax Department of the Indian government has also generated adverse publicity for the Issuer's business. Such adverse publicity or subsequent penalties, if any, by the tax authorities could have a material adverse effect on the Issuer's reputation, business, financial condition or prospects.

The transfer pricing agreements with the Issuer's subsidiaries may be subject to regulatory challenges, which may subject it to higher taxes.

The Issuer has entered into transfer pricing agreements with its subsidiaries as its products are sold through its subsidiaries and affiliated corporations. In such agreements, the Issuer has determined transfer prices that it believes are at an arm's length basis and in compliance with all applicable transfer pricing laws in the relevant jurisdictions. However, there can be no assurance that it will continue to be found to be operating in compliance with transfer pricing laws, or that such laws, or their application or interpretation, will not be modified, any of which may require changes to its transfer pricing practises or operating procedures. Any modification of transfer pricing laws, or their application or interpretation, may result in a higher overall tax liability, including accrued interest and penalties and adversely affect the Issuer's earnings and results of operations.

Price fluctuations in the cost of raw materials and fuel, used to manufacture the Issuer's products, or disruptions in the supply of raw materials and fuel, may adversely affect its manufacturing costs.

The Issuer's manufacturing costs may be adversely affected by volatility in the cost of its raw materials and fuel, which are subject to global supply and demand and other factors beyond its control. As a significant portion of its cost of goods sold is represented by raw materials, its gross profit and margins could be adversely affected by changes in the cost of these raw materials if it is unable to pass any increased costs on to its customers. Although in the long-term changes in the prices of raw materials will be reflected in product prices, in the short term, raw material cost volatility poses a challenge as the Issuer may be unable to manage passing cost increases on to its customers in a timely manner by adjusting its prices. Rapid changes in pricing may also affect customer demand. In extraordinary cases, such as the notification of a force majeure event by a key supplier, the Issuer may find itself with insufficient raw materials to produce its products. Alternatively, if the availability of any of the Issuer's principal raw materials is limited, it may be unable to produce some of its products in the quantities demanded by its customers, which could have an adverse effect on plant utilisation and the sales of the products.

In addition, the Issuer's production process requires significant amounts of energy and fuel. It uses thermal coal and natural gas to generate electricity, operate its facilities and generate heat and steam for its various manufacturing processes. Thermal coal and natural gas prices have experienced significant volatility in the past several years and any disruptions in the thermal coal or natural gas supply to its production facilities could severely impact the Issuer's business, results of operations, financial condition or prospects.

The Issuer maintains inventories of raw materials, work in progress and finished goods.

The Issuer maintains inventories of raw materials, work in progress and finished goods. A high level of inventory increases its risk of loss and storage costs as well as the working capital needed to operate its business. As the Issuer's customers are not presently obliged to purchase its products or provide the Issuer with binding forecasts with respect to future production, there can be no assurance that its customers will require or purchase the goods it produces. If customer demand does not meet the Issuer's production levels due to unanticipated weather conditions or otherwise, this could have an adverse effect on its business, financial condition and results of operations.

The Issuer depends on certain key distributors and customers, and its business and financial conditions may be adversely affected if it is unable to retain these customers or distributors or keep its distributors sufficiently incentivised.

The Issuer relies to a significant extent on the relationships it has with its distributors, as they play a significant role in enhancing customer awareness of the Issuer's products and maintaining its brand name. However, the Issuer does not have any significant long-term contracts with any of these distributors. Furthermore, as its authorised distributors have day-to-day contact with customers, it is exposed to the risk of its distributors failing to adhere to the standards set for them in respect of sales and after-sales service, which in turn could affect the Issuer's customers' perception of its brand and products. In addition, the Issuer provides its distributors with incentives to sell its products by way of discounts. If its competitors provide better incentives to its distributors, such distributors may be persuaded to promote the products of the Issuer's competitors instead of the Issuer's products.

The Issuer may not realise the expected benefits of the acquisition of Arysta and other acquisitions (if any) because of integration difficulties and other challenges.

The success of the Arysta acquisition will depend, in part, on the Issuer's ability to realise all or some of the anticipated benefits from integrating Arysta's business with its existing businesses. The integration process may be complex, costly and time consuming. The difficulties of integrating the business include, among others:

- failure to implement its business plan for the combined business;
- unanticipated issues in integrating its logistics, information, accounting, communications and other systems;
- possible inconsistencies in standards, controls, procedures and policies between Arysta and its business;
- failure to retain key customers and suppliers;
- unanticipated changes in applicable laws and regulations;
- failure to retain key employees;
- operating risks inherent in Arysta's business and in its business; and
- unanticipated issues, expenses and liabilities.

The Issuer may not be able to maintain the levels of revenue, earnings or operating efficiency that its business and Arysta, respectively, have achieved or might achieve separately. In addition, the Issuer may not accomplish the integration of Arysta's business smoothly, successfully or within the anticipated costs or timeframe. If it experiences difficulties with the integration process, the anticipated benefits of acquiring Arysta may not be realised fully, or at all, or may take longer to realise than expected.

Moreover, the Issuer may not achieve the projected revenue and cost synergies related to acquiring Arysta. These synergies are inherently uncertain, and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and are beyond its control. If it achieves the expected benefits, it may not be achieved within the anticipated timeframe. Also, the synergies from acquiring Arysta may be offset by costs incurred in consummating acquiring Arysta, increases in other expenses, operating losses or problems in the business unrelated to acquiring Arysta. As a result, there can be no assurance that such synergies will be achieved.

The Issuer may not be able to successfully identify, consummate and integrate future mergers or acquisitions.

The Issuer plans to strategically expand its product portfolio and the geographic scope of its operations, including through partnerships with local companies and strategic mergers or acquisitions of companies in key markets. It is actively seeking to identify potential targets that would help achieve one or more of these objectives. The merger or acquisition of any large target would require significant financial resources, resulting in significant cash outflow, increased debt financing, or all of the above. Mergers and acquisitions may also increase the Issuer indebtedness through existing indebtedness of the acquired company, which could significantly reduce or eliminate the headroom under existing bank loans or facilities and make it more difficult for the Issuer to incur additional indebtedness.

The merger or acquisition of companies involves other risks, including:

- the Issuer may not be able to identify suitable targets or acquire companies on favourable terms;
- it competes with other companies that may have stronger financial positions and are therefore better able to acquire product lines and companies;
- it may not be able to obtain the necessary financing, on favourable terms or at all, to finance any of its potential transactions;
- it may not be able to obtain the necessary regulatory approvals, including the approval of antitrust regulatory bodies, in any of the countries in which it may seek to consummate potential transactions;
- it may ultimately fail to complete a transaction after it announces its plan to acquire a product line or a company;
- transactions may require significant management resources and divert attention away from its daily operations, resulting in the loss of key customers and personnel, and exposure to unanticipated liabilities; and
- the intended benefits of a merger or acquisition may not materialise and the merger or acquisition may not be successful.

Any of the above may materially adversely affect the Issuer's business, financial condition and results of operation.

The Issuer has significant indebtedness and if the Issuer or any of its subsidiaries are unable to comply with the restrictions and covenants in their respective debt agreements, there could be a default under the terms of these agreements, which could in turn cause repayment of their other debts to be accelerated.

The Issuer has significant indebtedness for which it would have to service interest. This is further exacerbated by the Issuer's acquisition of Arysta, for which the Issuer took out a loan of U.S.$3 billion, greatly increasing the Issuer's leverage. If the Issuer or any of its subsidiaries are unable to comply with the restrictions and covenants in their respective current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default, the holders of the debt could terminate their commitments to lend, accelerate repayment of the debt and/or declare all outstanding amounts due and payable, as the case may be. As a result, a default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debts and/or result in a default under the Issuer's or such subsidiary's other debt agreements. If any of these events occur, there is no assurance that the Issuer would have sufficient assets and/or cash flow to repay in full all of its indebtedness, or that it would be able to find alternative financing. Even if the Issuer could obtain alternative financing, it could not guarantee that it would be on favourable or acceptable terms.

A downgrade of the Issuer's rating or its rating outlook may have material and adverse effects on the Issuer and the Notes.

The Issuer has seen its rating outlooks being revised downwards, with Moody's downgrading the Issuer's rating outlook from positive to stable, S&P downgrading the Issuer's rating outlook from positive to stable and Fitch downgrading the Issuer's rating outlook from stable to negative. These downward revisions of the Issuer's rating outlooks stem from the increase in the Issuer's leverage arising from the debt-funding of the acquisition of Arysta. If the Issuer is unable to deleverage sufficiently within the rating window, the Issuer may face further declines in its rating or its rating outlook. This will affect the perceived creditworthiness of the Issuer and in turn, the value of the Notes and the Issuer's access to further credit, whether on favourable terms or at all.

The Issuer may have additional capital or funding requirements, which may have to be met by debt or equity financing. If the Issuer is unable to obtain such financing on acceptable terms, if at all, its growth plans may be adversely affected.

The Issuer may require more debt and equity funding to fund its operations, to expand its business, for capital expenditure purposes, to make strategic acquisitions and to service its indebtedness. The raising of additional debt funding, if required, would result in increased debt service obligations and could result in additional operating and financing covenants, or liens on its assets, that would restrict its operations. If the Issuer is unable to repay or refinance this debt on acceptable terms, or at all, its financial condition would be materially adversely affected. There can be no assurance that debt or equity financing or internal accruals will be available in amounts sufficient to meet its requirements, on terms acceptable to the Issuer, or at all. Without the necessary capital, the Issuer may not be able to fund its operations, expand its business, make strategic acquisitions and service its indebtedness.

Adverse developments in the credit markets globally or a reduced perception of the Issuer's creditworthiness, could increase its debt service costs and the overall cost of its funds. Furthermore, the Issuer's ability to obtain required capital on acceptable terms, if at all, is subject to a variety of uncertainties, including:

- limitations on its ability to incur additional debt, including, as a result of prospective lenders' evaluations of its creditworthiness and pursuant to restrictions on incurrence of debt in its existing and anticipated credit facilities;

- limitations on its ability to raise capital from the credit markets;

- investors' and lenders' perception of, and demand for, debt and equity Notes of agricultural chemical companies, as well as the offerings of competing financing and investment opportunities;

- limitations on its ability to raise capital in the capital markets and conditions of the capital markets in which it may seek to raise funds;

- economic, political and other conditions in Latin America, North America and Europe, and other countries in which it has operations; and

- its future results of operations, financial condition and cash flows.

Furthermore, certain of the Issuer's debt instruments restrict its ability to incur or guarantee additional indebtedness and require the Issuer and its subsidiaries to maintain certain financial covenants that could limit its ability to incur debt or guarantee debt of other subsidiaries and affiliates.

In case of registrations applied for by the Issuer or its subsidiaries but held in the names of third parties including distributors, consultants or its subsidiaries, any default in complying with the terms of such registrations may restrict the Issuer's ability to market and distribute such generic crop protection products in those countries thereby affecting its business opportunity, business and results of operations.

The Issuer and its subsidiaries apply for and obtain registrations in the names of third parties including distributors, consultants in addition to its own name. In such instances, it incurs all and/or part of expenses in relation to tests, creating dossiers and seeking registrations. On receipt of registration, the Issuer derives beneficial interest from the sale of generic active ingredients and formulations pursuant to such third-party registrations. If the parties that hold such registrations default in complying with the terms of such registration and, as a result, the Issuer is unable to market and distribute generic active ingredients and formulations in those countries and therefore lose the existing business opportunity, this would have an adverse effect on the Issuer's business, financial condition, results of operations and cash flows.

Changes in the prices of key crop commodities may affect the Issuer's product sales.

The prices of crops are volatile and may fluctuate due to the below factors:

- the inventory levels of the crops;
- the expected and actual yield;
- the quality of the yield;
- government intervention in terms of price controls and procurements;
- the weather conditions; and
- the political situation; etc.

When the prices of key crop commodities fluctuate together with the above factors, farmers may change their cropping pattern accordingly by switching to harvest crops which fetch more favourable prices. Farmers may not require the same products offered by the Issuer for such alternative crops and it may hence experience lower sales.

While the Issuer has sought to diversify its product offerings to reduce dependence on one or a few crops, it may not be able to cater to all types of crops and may hence experience lower sales and lost customers when farmers change their crop offerings.

UPL owns the majority of the Issuer's equity share capital and accordingly has the ability to decide the outcome of matters submitted to shareholders for approval, and their interests may differ from those of the holders of the Notes.

As of 31 March 2020, UPL Limited ("**UPL**") owns 77.79 per cent. of the Issuer's equity share capital while Abu Dhabi Investment Authority ("**ADIA**") and TPG Capital hold the remaining minority share. Accordingly, UPL has the ability to decide the outcome of matters submitted to shareholders for approval, including matters relating to any sale of all or substantially all of the Issuer's assets, the timing and distribution of dividends and the election or termination of appointment of the Issuer's directors. This could delay, defer or prevent or impede a merger, consolidation, takeover or other business combination involving the Group, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Group even if it is in the Group's best interest. In addition, for so long as UPL continues to exercise substantial control over the Group, it may influence the material policies of the Group in a manner that could conflict with the interests of the Noteholders and UPL may have interests that are adverse to the interests of the holders of the Notes.

The Issuer's substantial shareholders may change.

There is no assurance that the Issuer's substantial shareholder will not sell all or part of their stake in the Issuer. There is no guarantee that any change in controlling ownership arising from such sale (if any) will not adversely affect the performance of the Group. See also Condition 6(d) of the Terms and Conditions of the Notes.

UPL products account for a significant portion of the Issuer's purchases and the Issuer relies on UPL's senior management and operations for the Issuer's business.

For FY2018, FY2019 and FY2020, the Issuer purchased U.S.$430.55 million, U.S.$497.55 million and U.S.$622.54 million from UPL, respectively. For FY 2018, FY2019 and FY2020, the total amount of purchases of agro-chemical, bio-solution and other products made by the Issuer (which were reported as cost of goods sold in the Issuer's financial statements for FY18 and FY19) was U.S.$ 1,194.97 million, U.S.$ 1,522.73 million and U.S.$ 2,643.37 million, respectively. These transactions involve product purchases by the Issuer which are on-sold to the Issuer's customers. Should UPL encounter manufacturing issues and UPL's products become limited, this could affect the Issuer's sales and in turn its business, results of operations, financial condition and prospects. While the Issuer believes that these transactions have been carried out on an arm's length basis and on terms at least as favourable to the Issuer as would have been the case in a transaction with an unrelated party, there is no assurance that it could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

The senior management of UPL has influence on the Issuer's business and the Issuer relies on their expertise from an operational standpoint. Although it benefits from the combined experience of the senior management members of UPL, they may influence the material policies of the Group in a manner that could conflict with the interests of the Group and may have interests that are adverse to the interests of the holders of the Notes.

As such, any material disruptions in UPL's operations or manufacturing plants could have an adverse effect on its business, operations and financial position.

The Issuer's business could be adversely affected by the introduction of alternative crop protection measures such pest resistant seeds or genetically modified ("GM") crops or by increased weed and insect resistance.

The Issuer's business may be adversely affected by the increased use of pest resistant seeds, GM crops and other substitutes of its products. While the launch and wide commercial use of GM crops may take some time, GM crops are likely to have more resistance to insects, pests and diseases. The growth and acceptance of such alternative crop protection measures may have a material adverse effect on its business, financial condition and results of operations. Conversely, there have been instances of species of weeds and insects developing resistance to crop protection products designed to control or eradicate them. Such resistance may result in reduced demand for the affected product, which may not be offset by increased sales of alternative products. If the Issuer fails to adopt its product range to respond to such developments, demand for its products (or their price) may decline, adversely affecting its financial condition and results of operations.

In addition, restrictions on certain crop protection products use for environmental concerns could increase, which would adversely impact sales of the Issuer's products used for crop protection.

The crop protection products industry is highly competitive and the Issuer may struggle to maintain its current market position.

The Issuer's industry is highly competitive and it faces significant competition from large international producers, as well as from smaller regional competitors. Competition is based on a number of factors, such as product quality, the availability of substitute products, service and price. In many segments of the market, the number of products available to growers is steadily increasing as new products are introduced. The Issuer sells products that lack patent protection, and competition for commoditised products, such as basic formulations, is based primarily on price and to a lesser extent on product performance, product quality, product deliverability, reliability of supply and customer service. It may not be able to protect its market position for these products through product differentiation. In addition, intense competition in the post-patent product segment may limit the Issuer's ability to pass on cost increases to its customers and could have an adverse effect on its profit margins. The companies that operate in the patent-protected segment of the crop protection industry devote enormous resources to researching new compounds and technologies that may provide superior benefits when compared with the products currently on the market. If such companies are successful in commercialising and securing patent protection for such products, the Issuer's sales of competing products would likely be significantly reduced.

The Issuer's competitors may improve their competitive position in the Issuer's core end-use markets by successfully introducing new products, improving their manufacturing processes or expanding their capacity or manufacturing facilities. In addition, increased competition from existing or new products may reduce demand for the Issuer's products in the future and its customers may decide on alternative sources to meet their requirements. The long-term impact of competition for these products is unclear. Some competitors may be able to drive down prices for the Issuer's products if they have lower operating costs. Alternatively, other competitors may have greater financial, technological and other resources, enabling them to better withstand cost and demand changes in the market. Such competitors may be better able to withstand changes in market conditions than the Issuer. Its competitors may also be able to respond more quickly than the Issuer to new or emerging technologies or changes in customer requirements. If the Issuer is unable to keep pace with its competitors' product and manufacturing process innovations, it may be unable to maintain its current market position. In addition, consolidation of its competitors, including, for example, China National Chemical Corporation's acquisition of Syngenta, merger of Dow and Dupont and the acquisition of Monsanto by Bayer, may reduce the demand for the Issuer's products which could have an adverse effect on its business, operations and financial position.

If the Issuer is unable to develop new or commercially viable products, its business would be adversely affected.

Research and development ("**R&D**") is expensive and prolonged, and entails considerable uncertainty as to its returns and results. As part of the Issuer's growth strategy, it is involved in the R&D of crop protection products. There can be no assurance that its expenditure on R&D activities will yield results of substantial commercial value and no new or commercially viable products may be developed or launched. In addition, research undertaken by competitors may lead to the launch of competing or improved products which may adversely affect the sales of its new or existing products which could severely impact its business, results of operations, financial condition and prospects.

By developing differentiated products such as new formulations and delivery systems, the Issuer aims to move its product mix towards post-patent products with value-added characteristics that do not compete directly with generic formulations. However, this strategy depends on the Issuer's ability to continually develop and bring to market new products and formulations. Product development is inherently uncertain, and there can be no assurance that the Issuer will continue to be able to develop and bring to market new products that produce adequate sales volumes and margins.

The rising sale of counterfeit products, spurious pesticides and spiked bio-pesticides pose a threat to the growth of the Issuer's industry.

Counterfeit products, spurious pesticides or sub-standard products may be marketed and sold under the same or similar name of the Issuer's products in breach of registration requirements by other entities, which could damage its reputation and adversely affect its sales. Spurious pesticides result in by products which may significantly harm the soil and environment and pose a threat to the industry's growth. The rising sale of spurious pesticides and spiked bio-pesticides could severely impact the Issuer's business, results of operations, financial condition and prospects.

Any breaches of the Issuer's corporate social responsibility policies could harm the Issuer's reputation and business.

The Issuer is exposed to risks in relation to possible breaches of the Issuer's policies in its operations including in the seed business, some of which are labour-intensive. While the Issuer has stringent labour policies and standards, any breach of labour, including child labour, laws and regulations on the part of the Issuer's third party contractors or partners could damage the Issuer's reputation, and the Issuer could face enhanced scrutiny or be subjected to other adverse legal consequences.

The Issuer is subject to different tax regulations, customs laws, international trade laws, export control laws, antitrust laws, zoning and occupancy, health and safety and labour and employment laws that could require Issuer to modify its current business practises and incur increased costs.

The Issuer is subject to numerous regulations, including customs and international trade laws, export/import control laws, and associated regulations. These laws and regulations limit the countries in which the Issuer can carry out business, the persons or entities with whom it can carry out business, the products which it can buy or sell, and the terms under which it can carry out business, including exposure to anti-dumping restrictions and investigations. In addition, the Issuer is subject to antitrust laws, zoning and occupancy laws that regulate manufacturers generally and govern the importation, promotion and sale of its products, the operation of factories and warehouse facilities and relationship with its customers, suppliers and competitors. The Issuer is also subject to health and safety laws that regulate the working conditions of its employees and the handling of hazardous materials. If any of these laws or regulations were to change or were violated by its management, employees, suppliers, buying agents or trading companies, the costs of certain goods could increase, the Issuer could experience delays in shipments of its goods, be subject to fines or penalties, or suffer reputational harm, all of which could reduce demand for its products and hurt its business and negatively impact results of operations. The Issuer also faces the risk of dumping of products from China where the prices charged are below the prices charged in China, or below the cost of production, which may harm its competitive position and business. In addition, in some areas it benefits from certain trade protections, including anti-dumping protection. If the Issuer was to lose these protections, its results of operations could be adversely affected.

For example, in 2012, the U.S. Customs and Boarder Protection ("**CBP**") conducted a focus assessment procedure on the import records of the Issuer's U.S. subsidiary, UPI-US. During this assessment, CBP identified a few product classification, transaction values and Generalised System of Preference ("**GSP**") issues. As a result, UPI-US was required to complete a thorough checking of all of its imports into the United States for a certain period of time, after which UPI-US corrected the identified issues and paid all necessary additional custom duties as per corrected values. In 2015, CBP conducted a follow-up audit on UPI-US and determined that UPI-US had effectively implemented changes to its internal control system per CBP's recommendation given in 2012.

There have also been incidents where the Issuer was fined for importing unregistered or misbranded products.

In addition, changes in statutory minimum wage laws and other laws relating to employee benefits could cause the Issuer to incur additional wage and benefits costs, which could negatively impact its profitability. It exercises significant judgement in calculating its worldwide provision for income taxes and other tax liabilities, and believes its tax estimates are reasonable. Despite the advice received by the Issuer, there is no assurance that such tax estimates will be correct. It may be subject to audits by tax authorities in the future and the tax authorities may disagree with its tax treatment of certain material items, including past or future acquisitions and/or dispositions, and thereby require recalculation and potentially increase its tax liability. In addition, changes in existing laws may also increase its effective tax rate. A substantial increase in its tax burden could have a material adverse effect on its business, results of operations, financial condition or prospects.

Legal requirements frequently change and are subject to interpretation, and the Issuer is unable to predict the ultimate cost of compliance with these requirements or their effects on its operations. The Issuer may be required to make significant expenditures or modify its business practises to comply with existing or future laws and regulations, which may increase its costs and materially limit its ability to operate its business.

Changes in the agricultural policies of governments and international organisations may prove unfavourable.

In subsidised markets such as the United States and the EU, the reduction of subsidies to farmers may inhibit the growth of crop protection markets. In each of these areas, there are various pressures to reduce subsidies. In addition, regulation and tariffs in jurisdictions may be changed in ways that support the Issuer's competitors, such as the imposition of import tariffs or price support for domestic producers in its key markets. However, it is difficult to predict accurately whether, and if so, when and the extent to which, such changes will occur. Any change in the policies of governments and international organisations that affect the income available to growers to purchase crop protection products will have a negative effect on the Issuer's results of operations, financial condition and business.

The Issuer could be held liable in connection with pollution.

A large number of the Issuer's current, past or discontinued production facilities have a long history of industrial use which may include chemical processing, hazardous substances and waste storage and related activities such as landfill activities. As a result, soil and groundwater contamination can occur due to releases of hazardous substances in the future and it is possible that such contamination could be discovered at its sites in the future.

Certain environmental laws, regulations and court decisions impose liability for contamination on present and former owners, operators or users of facilities and sites, whether on or from such facilities and sites without regard to causation, negligence or knowledge of contamination. At any time, the Issuer could be responsible for investigating and remediating contamination that originated at its facilities or was caused by operations at its facilities, which could result in substantial unanticipated costs. The occurrence of future releases of hazardous materials, the discovery of previously unknown contamination, or the imposition of new obligations to investigate or remediate contamination at the Issuer's facilities, could result in substantial unanticipated costs. It may also become obligated to pay fines or fees if its emissions and/or other activities are in excess of regulatory limits.

The Issuer's financial results may also be adversely affected if environmental liability arises for which it is not adequately indemnified. Although the Issuer believes the indemnities given by the selling parties from whom it has acquired assets or businesses will help to defray the cost associated with pre-acquisition environmental liabilities, its financial results may still be adversely affected to the extent the sellers do not fulfil their respective indemnification obligations, and/or the Issuer breaches its obligations not to undertake certain activities that may aggravate existing conditions or to mitigate associated losses.

Additionally, the Issuer could be required to establish or substantially increase financial reserves for obligations or liabilities in relation to remediation costs. If the Issuer fails to accurately predict the amount or timing of such costs, the related impact on its business, results of operations or financial condition, in any period in which such costs need to be incurred, may be material. In addition, in certain jurisdictions, authorities are empowered to impose liens on real estate and attach accounts of the property operator to cover remediation costs.

Provisions for environmental liabilities may be insufficient.

The Issuer regularly reviews all of its environmental risks and the provisions made for such risks. A provision is recorded when it has a present obligation as a result of a past event, the amount of the obligation can be reliably estimated, and it is probable that an outflow of resources of economic value will be required to settle the obligation. Provisions are determined based on, among other factors, known events, the type and scope of pollution, site rehabilitation techniques, applicable laws and regulations, and estimated risks, at each balance sheet date and adjusted as needed at subsequent balance sheet dates. Since such determinations are based on a range of factors, many of which may change and are subject to unforeseeable or unpredictable circumstances, the Issuer cannot assure you that such provisions will be sufficient. For example, from time to time it may incur remediation costs at its current facilities and newly acquired facilities. If environmental harm is found to have occurred as a result of its current or historical operations (as a successor), it may incur significant remediation costs and be required to pay substantial fines. Should provisions made for environmental liabilities fall short of any unforeseen environmental compliance costs and/or liabilities, the Issuer may have to make additional payments, which could have a material adverse effect on its business, financial condition and results of operations.

Production at the manufacturing facilities of the Issuer could be disrupted for a variety of reasons. The Issuer could be exposed to significant losses or liabilities by any such disruptions.

Due to the nature of the Issuer's business, it is exposed to the normal risks of industrial production and hazards associated with chemical manufacturing and the related storage and transportation of raw materials, products and wastes. These risks and hazards could lead to an interruption or suspension of the

Issuer's operations and have an adverse effect on the productivity and profitability of a particular manufacturing facility or on the Issuer as a whole. These potential risks of disruption include, but are not necessarily limited to:

- storage tank leaks and ruptures;
- explosions and fires;
- inclement weather, including floods, and natural disasters;
- terrorist attacks and geopolitical tensions;
- failure of mechanical, process safety and pollution control equipment;
- labour stoppages;
- government directives;
- contamination, chemical spills and other discharges or releases of toxic or hazardous substances or gases; and
- exposure to toxic chemicals.

In the course of the Issuer's operations, it has experienced similar hazards and disruptions, which are customarily associated with chemical manufacturing.

All of the above hazards could also expose employees, customers, the community and others to toxic chemicals and other hazards, contaminate the environment, damage property, result in personal injury or death, lead to an interruption or suspension of operations, damage its reputation and adversely affect the productivity and profitability of a particular manufacturing facility or the Issuer as a whole, and result in the need for remediation, governmental enforcement, regulatory shutdowns, the imposition of government fines and penalties and claims brought by governmental entities or third parties. Legal claims and regulatory actions could subject Issuer to both civil and criminal penalties, which could affect its product sales, reputation and profitability. The Issuer cannot be certain that its environmental, health and safety compliance, management and response systems currently in place will be sufficient to prevent such potential risks or to remedy any such disruption or incident.

Moreover, the type of activities performed by the Issuer's employees during the production process and resultant contact with harmful and hazardous substances could increase the risk of accidents. Although the Issuer promotes awareness through trainings and briefings and ensure safe working conditions for its employees, it cannot be certain that the implemented safety measures and programs will prevent accidents occurring onsite or employees contracting occupational diseases, which may have a negative impact on its operating activities and financial performance.

In the event that an individual successfully brings a claim against the Issuer, it may not have adequate insurance to cover such claims or may not have sufficient cash flow to pay for such claims. Such outcomes could have a material adverse effect on its business, results of operations, financial condition or prospects.

The Issuer's manufacturing facilities may also be subject to power interruptions. While all of its plants have some back-up power generation capacity, it is only sufficient to maintain limited operations. As a result, any extended power supply interruption will result in reduced production at the affected plant.

Any interruption to production at any of these plants could materially reduce the Issuer's production, sales revenue and profit. This in turn could have a material adverse effect on its business, results of operations, financial condition and prospects. If any disruptions occur, alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant amount of time to start production. Each of these scenarios could negatively affect the business, results of operations, financial condition or prospects of the Issuer. If one of its key manufacturing facilities is unable to produce its products for an extended period of time, its sales may be reduced by the shortfall caused by the disruption and it may not be able to meet its customers' needs, which could cause them to seek out other suppliers. Furthermore, to the extent a production disruption occurs at a manufacturing facility that has been operating at or near full capacity, the resulting shortage of the Issuer's product could be particularly harmful because production at the manufacturing facility may not be able to reach levels achieved prior to the disruption.

While the hazards associated with chemical manufacturing have not resulted in incidents that have significantly disrupted its operations or exposed the Issuer to significant losses or liabilities to date, the Issuer cannot assure you that it will not suffer such losses in the future.

The Issuer's products may infringe on the intellectual property rights of others, which may cause the Issuer to incur unexpected costs or prevent it from selling its products.

The Issuer continually seeks to improve its business processes and develop new products and applications. Many of its competitors have a substantial amount of intellectual property that it must continually monitor to avoid infringement. Although it is the Issuer's policy and intention not to infringe valid patents, whether present or future and other intellectual property rights belonging to others, it cannot assure you that its processes and products do not and will not infringe issued patents. If patents belonging to others already exist that cover its products, processes, or technologies, or are subsequently issued, it is possible that the Issuer could be liable for infringement of such patents and it could be required to take remedial or curative actions to continue its manufacturing and sales activities with respect to products that are found to be infringing. Intellectual property litigation is often expensive and time-consuming, regardless of the merits of any claim, and the Issuer's involvement in such litigation could divert its management's attention away from operating its business. If the Issuer was to discover that any of its processes, technologies or products infringe the valid intellectual property rights of others, it might seek to obtain licenses from the owners of such rights or substantially re-engineer its products in order to avoid infringement. The Issuer may not be able to obtain the necessary licenses on acceptable terms, or at all, or be able to re-engineer its products in a manner that is successful in avoiding infringement. Moreover, if the Issuer is sued for infringement and losses, it could be required to pay substantial damages or be prohibited from using and selling the infringing products or technology. Any of the foregoing could cause the Issuer to incur significant costs and prevent it from selling its products.

Legal proceedings filed by or against the Issuer and adverse outcomes may harm its business, including a current case pending in the United States.

The Issuer cannot predict with certainty the cost of prosecution, the cost of defence or the ultimate outcome of litigation and other proceedings filed by or against it, including remedies and damage awards. The Issuer has been, and in the future may be, involved in litigation and other proceedings relating to intellectual property, commercial arrangements, environmental, health and safety, labour and employment or other harms, including claims resulting from the actions of individuals or entities outside of the Issuer's control, such as the Issuer's sub-contractors. In the case of intellectual property litigation and proceedings, adverse outcomes could include the cancellation, invalidation or other loss of material intellectual property rights used in its business, damages and injunctions prohibiting the Issuer's use of business processes or technology that are subject to third party patents or other third-party intellectual property rights. Litigation based on environmental contamination or exposure to hazardous substances in the workplace or from the Issuer's products could result in material liability.

One such case involves Decco Post-Harvest, Inc., Cerexagri and Decco U.S Post Harvest, Inc. (collectively, the "**Decco Defendants**"), the Issuer's wholly-owned subsidiaries incorporated in the United States, which in June 2016 entered into a 50:50 joint venture with Dr. Nazir Mir ("**Dr. Mir**") and MirTech, Inc. ("**MirTech**"), a wholly-owned entity of Dr. Mir, to form Essentiv LLC ("**Essentiv**"). The primary purpose of forming Essentiv was to commercialise certain technology relating to the application of 1-MCP, a technology developed by Dr. Mir (the "**1-MCP Technology**"). As part of the joint venture arrangement, such technology was licensed by MirTech and Dr. Mir to Essentiv for a consideration. In August 2016, AgroFresh Inc. ("**AgroFresh**") filed a complaint against Dr. Mir, Essentiv and Decco Defendants in the federal court in Delaware, United States, and brought several claims (the "**AgroFresh Litigation**"). AgroFresh and the defendants, in the interest of time, agreed to divide the litigation in two phases: Phase 1 which was against Dr. Mir and Mirtech had two counts alleging, first, that AgroFresh had an existing consultancy arrangement with Dr. Mir which gave it ownership interest over the 1-MCP Technology, and, second, that Dr. Mir fraudulently induced AgroFresh to amend the consulting agreement that he had with AgroFresh by which a carve out was created with respect to the ownership of the 1-MCP Technology in favour of Dr. Mir. In June 2017, the federal court gave an opinion in favour of AgroFresh on two counts in Phase 1. Phase 2 related to several other counts against the Decco Defendants, including those relating to patent infringement and misappropriation of trade secrets. On 11 October 2019, the federal court gave an opinion in favour of AgroFresh on certain counts of misappropriation of trade secrets, tortious interference with existing contracts, unfair competition, conversion and civil conspiracy, with damages awarded to AgroFresh totalling approximately U.S.$31 million. The jury verdict is not the final judgment and has been challenged in post-trial motions before the court. UPL has filed post-trial motions challenging the verdict, including a reduction in the damages and a declaration that AgroFresh did not produce enough evidence in the trial which proves that it owned any trade secrets. The post-trial hearing was completed on 27 May 2020 and the final judgment is awaited. The final judgment will further be subject to appeal in a superior court.

The Issuer is unable to ascertain the total liability under the AgroFresh Litigation until the final judgment has been awarded. Therefore, there can be no assurance that the results of such legal proceedings will not materially harm the Issuer's business, reputation or standing in the marketplace. See "*Business – Legal and Regulatory Proceedings*".

Any adverse outcomes in any litigation or other proceeding, including the AgroFresh Litigation could have a material adverse effect on the Issuer's business, results of operations, financial condition or prospects.

The business of the Issuer involves risk of exposure to product liability claims.

The development, manufacture and sales of the Issuer's products involve inherent risks of exposure to product liability claims, product recalls and related adverse publicity. While it attempts to protect itself from such claims and exposures in its adherence to standards and specifications and contractual negotiations, the Issuer cannot assure you that its efforts in this regard will ultimately protect it from any such claims. For instance, a customer may attempt to seek contribution from the Issuer due to a product liability claim brought against them by a consumer, or a consumer may bring a product liability claim directly against the Issuer. A product liability claim or judgement against the Issuer could result in substantial and unexpected expenditures, affect consumer or customer confidence in its products, and divert management's attention from other responsibilities. A successful product liability claim or series of claims against the Issuer that are not covered under its existing insurance policies or in excess of the Issuer's insurance coverage payments, for which it is not otherwise indemnified, could have a material adverse effect on the business, results of operations, financial condition or prospects of the Issuer.

All products of the Issuer include directions for use, including the correct dosage. However, crops may be damaged should the end user fail to follow such directions. While this may not be under the Issuer's control, any such damage could result in potential litigation instituted by the end users and may consequently damage its reputation. The Issuer may also incur significant costs defending such suits which may have a material adverse effect on its business, results of operations, financial condition or prospects.

The insurance that the Issuer maintains may not fully cover all potential exposures.

Although the Issuer maintains insurance typical of similarly situated companies in its industry, such insurance may not cover all risks associated with the operation of its business or its manufacturing process and the related use, storage and transportation of raw materials, products and wastes in or from its manufacturing sites or its distribution centres. While the Issuer has purchased what it deems to be adequate limits of coverage and broadly worded policies, its coverage is subject to limitations, including higher self-insured retentions or deductibles and maximum limits and liabilities covered.

The Issuer may incur losses beyond the limits or outside the terms of coverage of its insurance policies, including liabilities for environmental remediation. In addition, from time to time, various types of insurance for companies in the specialty chemicals industry have not been available on commercially acceptable terms or, in some cases, at all. The Issuer is potentially at additional risk if one or more of its insurance carriers fail. Additionally, severe disruptions in the domestic and global financial markets could adversely impact the ratings and survival of some insurers. Future downgrades in the ratings of enough insurers could adversely impact both the availability of appropriate insurance coverage and its cost. In the future, the Issuer may not be able to obtain coverage at current levels, if at all, and its premiums may increase significantly on coverage that it maintains.

Courts have levied substantial damages in the United States and elsewhere against a number of crop protection companies in past years based upon claims for injuries allegedly caused by the use of their products, and may do so in connection with the aforementioned claims or in connection with any future litigation. A substantial product liability or environmental claim that is not covered fully or at all by insurance could have a material adverse effect on the Issuer's results of operations or financial condition. In addition, regardless of their prospects or actual results, product liability lawsuits might involve considerable costs to defend against and may adversely impact the Issuer's reputation in the market.

Security breaches could compromise sensitive information belonging to the Issuer and could harm its business (including its intellectual property) and reputation.

The safeguarding of the Issuer's information technology infrastructure is important to its business. A cyber-attack that bypasses its information technology ("**IT**") security systems causing an IT security breach may lead to a material disruption of its IT business systems and/or the loss of business information, resulting in adverse business impact. Adverse effects could include:

- the theft, destruction, loss, misappropriation or release of the Issuer's confidential data or intellectual property;

- operational or business delays resulting from the disruption of IT systems and subsequent clean-up and mitigation activities; and

- negative publicity resulting in reputation or brand damage with the Issuer's customers, partners or industry peers.

Any of the above may materially adversely affect the Issuer's business, financial condition and results of operation.

Rapid speed of disruptive innovations enabled by new and emerging technologies (e.g. artificial intelligence, robotics, other platforms) and/or other market forces may outpace issuer's ability to compete and/or manage the risk appropriately, without making significant changes to its business model. Any of the above may materially adversely affect the Issuer's business, financial condition and results of operation.

The Issuer's future success depends on its continued ability to attract and retain key personnel.

The crop protection products industry is science-based and it is therefore imperative that the Issuer attracts and retains qualified personnel in order to develop new products and compete effectively. The Issuer's ability to operate its business and implement its strategies depends, in part, on the continued contributions of its executive officers and other key employees. The loss of any of the Issuer's key senior executives could have an adverse effect on its business unless and until a replacement is found and it may not be able to locate or employ qualified executives on acceptable terms. In addition, the Issuer believes that its future success will depend on its continued ability to attract and retain highly skilled personnel with experience in its key business areas. Competition for these persons is intense, and it may not be able to successfully recruit, train or retain qualified managerial personnel. If the Issuer fails to attract and retain key scientific, technical or management personnel, its business could be affected adversely. If the Issuer is unsuccessful in retaining or replacing key employees, this in turn could materially adversely affect its business, financial position, results of operations and prospects.

Any labour unrest or difficulties managing the Issuer's employees may significantly reduce its profitability and affect its results of operations.

As of 31 March 2020, the Issuer had a total work force of 5,607, some of which was unionised. Although the Issuer believes that its relationships with its employees is generally good, it cannot guarantee that additional employees will not further unionise or that it will not experience strikes, work stoppages or other industrial actions in the future. If the Issuer experiences any labour unrest or otherwise encounter any difficulties managing its employees, its costs may increase, its profitability may be reduced or its business operations may otherwise be affected. Any such event could disrupt the Issuer's operations, possibly for a significant period of time, result in increased wages and other benefits or otherwise have a material adverse effect on the Issuer's business, financial condition or results of operations.

A failure of the Issuer's internal controls over financial reporting may have an adverse effect on its business and results of operations.

The Issuer's management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes, including with respect to record keeping and transaction authorisation. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the Issuer's financial statements would be prevented or detected. Any failure to maintain an effective system of internal control over financial reporting could limit the Issuer's ability to report its financial results accurately and in a timely manner, or to detect and prevent fraud.

The Issuer is exposed to risks of failing to comply with anti-bribery and anti-corruption laws.

There is an increasing focus globally on the implementation and enforcement of anti-bribery and anti-corruption legislation, and doing business on a worldwide basis requires Issuer to comply with the laws and regulations of various jurisdictions. In particular, the Issuer's international operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practises Act of 1977 (the "**FCPA**") and the United Kingdom Bribery Act of 2010 (the "**Bribery Act**", and, together with the FCPA, the Prevention of Corruption Act, 1988 and other similar regulations, "**Anti-Corruption Laws**"). The FCPA, together with similar statutes in other jurisdictions, prohibits providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. In the context of the Issuer's business, government officials interact with the Issuer in a variety of roles that are important to its operations, such as in the capacity of a regulator, partner, reimburser or prescriber, among others. The provisions of the Bribery Act extend beyond the bribery of foreign public officials and are more onerous than the FCPA in a number of other respects, including jurisdiction, non-exemption of facilitation payments and penalties.

The Issuer is exposed to a potential compliance risk with respect to Anti-Corruption Laws applicable in those countries in which it operates. In addition, some of the international locations in which the Issuer conducts business lacks a developed legal system and have high-perceived levels of corruption. Its continued expansion and worldwide operations, including in developing countries, increase the potential compliance risk with respect to Anti-Corruption Laws.

Violations of Anti-Corruption Laws by the Issuer, its subsidiaries or its local agents are punishable by civil, criminal and administrative penalties, including fines, injunctions, asset seizures, revocations or restrictions of licences, monitoring or self-reporting obligations and exclusion from government reimbursement programmes, as well as possible imprisonment, any of which could materially adversely affect the Issuer's reputation, business or results of operations.

The Issuer has operations in countries subject to sanctions and sales to certain entities in or related to several countries subject to various sanctions.

The Issuer has operations in countries subject to various sanctions, including Russia. It also has sales to certain entities in or related to Ukraine, Iran, Libya, Myanmar, Sudan, Cuba and Syria which in the aggregate were less than 1 per cent. of its revenue from operations in each of FY2018, FY2019 and FY2020. The Issuer believes that its entities and employees responsible for these operations and sales are not the target of any sanctions, and its operations with respect to these countries comply with all applicable sanctions, including the avoidance of dealings with persons and entities that are the target of sanctions. Non-compliance with sanctions could result in, among other things, significant fines, negative publicity and reputational damage, debarment from the ability to contract with governments or agencies and limitation on its ability to raise funding from international financial institutions or the international capital markets. The Issuer cannot assure you that it would remain compliant with sanctions. Furthermore, there can be no assurance that other persons and entities with whom the Issuer now, or in the future, may engage in transactions will not become the target of sanctions.

Customers of the Issuer may be unable to pay their debts due to local economic conditions.

The majority of the Issuer's deliveries are against future payment and the credit terms vary according to local market practice. As the customers of the Issuer are exposed to downturns in their local economy which may impact their ability to satisfy their debts, including payment for its delivered products, this may have an adverse effect on its business, financial position, results of operations and prospects. As of the date of this Offering Circular, the majority of the Issuer's sales are insured against credit risk, but should economic conditions worsen, there can be no assurance that the Issuer's credit risk insurance coverage will be sufficient.

The value of the Issuer's intangible assets, including goodwill, may become impaired.

The Issuer has a significant amount of intangible assets, including goodwill arising from acquisitions, on its consolidated statement of financial position and, if it acquires businesses in the future, may record significant additional intangible assets and goodwill. As of 31 March 2020, the Issuer had intangible assets of U.S.$1,521.65 million (including intangible assets under development). It regularly tests its intangible assets for impairment. There can be no assurance that adverse operating conditions in its businesses generally will not result in revisions to its estimates of the value of those businesses. As a consequence, its intangible assets could become impaired and the resulting impairment losses could have a material adverse non-cash impact on its financial position and results of operations.

The Issuer is exposed to fluctuations in foreign exchange and interest rates, and the Issuer may suffer losses due to adverse foreign exchange fluctuations.

The Issuer is exposed to exchange rate risk in its foreign exchange transactions which arise from its businesses in different countries. While it recorded an exchange loss of U.S.$34.89 million in FY2019, it recorded an exchange loss of U.S.$48.16 million in FY2020. A substantial portion of revenue and expense items are incurred in currencies other than U.S. dollars. As a result, fluctuations in foreign currencies may have an impact on the Issuer's business and financial results, including due to translation effects of exchange rates. Some of its prices are fixed by contract and may not be changed prior to the expiration of such contracts. Further, local markets may not support price increases and any proposed price increase may erode market support and demand for the Issuer's products and services. The Issuer's economic results are particularly affected by difference between the value of the currencies in which it buys raw materials and other inputs and the value of the currencies in which the Issuer sells its products, as well as by the timing of exchange rate movements relative to its annual cycles of inventory build-up and sales. The Issuer denominates its consolidated financial statements in U.S. dollars. Since a considerable portion of the Issuer's operations, sales and raw material purchases are carried out in a variety of other currencies, its reported results are subject to fluctuations in the value of those currencies against the U.S. dollar, as well as fluctuations in cross-rates between those currencies. These currency fluctuations have had and may continue to have a material impact on the Issuer's reported results. In the course of normal business, the Issuer may hedge against foreign exchange risks using standard market instruments, and such hedging may adversely affect the Issuer's financial performance and results of operations depending on the movement of foreign exchange markets.

The Issuer is also exposed to interest rate risk mainly arising from floating rate loans denominated in various currencies.

The Issuer hedges its foreign currency exchange and interest rate risks by entering into a cross currency or interest rate swap, establishing a hedge ratio of one to one for all its foreign currency hedging relationships. It also leverages foreign exchange forward contracts to manage foreign exchange risk of expected sales and purchases.

Volatility in foreign exchange rates may be further accentuated due to other global and domestic macroeconomic developments and may materially and adversely affect the Issuer's business, financial condition and results of operations.

The Issuer is exposed to liquidity risk.

While the Issuer aims to manage its liquidity by ensuring it has 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 Issuer may not be able to meet its financial obligations as they fall due. The Issuer's total current liabilities (liabilities due within one year) reduced from U.S.$1,932.08 million as at 31 March 2019 to U.S.$1,823.31 million as at 31 March 2020 and total non-current liabilities (with maturity longer than a year) reduced from U.S.$4,102.82 million as at 31 March 2019 to U.S.$3,987.87 million as at 31 March 2020. The Issuer manages its liquidity by maintaining adequate reserves, continuously monitoring its forecast and actual cash flows, and matching the maturity profiles of its financial assets and liabilities. Its liquidity risk may be exacerbated by several factors not within its control, including the deterioration of overall market conditions and severe disturbance to the financial market which may limit its access to alternative sources of funds. These factors could result in adverse effects on the Issuer's liquidity, business, financial position and results of operations, which in turn may negatively affect its ability to service the Notes and to satisfy its other obligations under the Notes.

There can be no assurance as to the accuracy or comparability of facts and statistics contained in this Offering Circular with respect to the economy or the relevant industry.

Facts, forecasts and other statistics in this Offering Circular relating to the economy or the relevant industry in which the Issuer operates have been directly or indirectly derived from certain public industry sources and although the Issuer believes such facts and statistics are accurate and reliable, it cannot guarantee the quality or the reliability of such source materials. They have not been prepared or independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers, and, therefore the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers make no representation as to the completeness, accuracy or fairness of such facts or other statistics, which may not be consistent with other information. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be incomplete, inaccurate or unfair or may not be comparable to statistics produced for other economies or the same or similar industries in other countries and should not be unduly relied upon. Furthermore, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts or other statistics.

The outbreak, or threatened outbreak, of any severe communicable disease could materially and adversely affect the Issuer's business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe communicable disease (such as the COVID-19) could materially and adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also affect the operations of the Issuer's customers and suppliers, which could materially and adversely affect the supply and demand of the Issuer's products, respectively. If any of the Issuer's employees or employees of the Issuer's suppliers are suspected of contracting an epidemic disease, this could require Issuer or the Issuer's suppliers to quarantine some or all of these employees or disinfect the facilities used for the Issuer's operations. Further, countries may impose travel bans to contain any outbreak. These would in turn result in delays and/or additional costs. In addition, the Issuer's revenue and profitability could be materially reduced to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

Risks Relating to Mauritius

The Issuer may become subject to unanticipated tax liabilities that may have a material adverse effect on its results of operations.

The Issuer is a Mauritius Category 1 Global Business Company ("**GBC1**") and is tax resident in Mauritius. As of 1 January 2019, the GBL1 has been renamed as Global Business License and existing companies holding the GBL1, where the licenses were issued on or before 16 October 2017, will be grandfathered until 30 June 2021 and licenses issued after 16 October 2017 were grandfathered until 31 December 2018.

Under the current provisions of the Income Tax Act 1995 ("**ITA 1995**"), the Issuer, as a Mauritius company, is taxed on its chargeable income at the rate of 15 per cent. in Mauritius. However, as a holder of a GBL1, it is entitled to a foreign tax credit on foreign source income at a rate which is the higher of (a) a deemed foreign tax credit representing 80 per cent. of the Mauritius tax chargeable on such income or (b) the actual tax suffered abroad in respect of foreign sourced income (including if the Mauritius company holds more than 5 per cent. of the issued capital of a company effecting a dividend distribution, the proportionate share of the foreign tax paid by such company), thus reducing its maximum effective tax rate to 3 per cent..

Section 2 of the ITA 1995 defines the term "foreign source income" as income which is not derived from Mauritius. This includes, in the case of a corporation holding a GBL1 License, income derived from its transactions with "non-residents". The ITA 1995 has an extensive definition of non-residents.

However, as from 1 January 2019, the Deemed Foreign Tax Credit was abolished and Global Business Companies are now taxed at the rate of 15 per cent.. A partial exemption regime has been introduced with 80 per cent. of the following income streams being exempted from tax:

- Foreign dividend (subject to such an amount not being treated as an allowable deduction in the source country)
- Foreign source interest income

- Profit attributable to a permanent establishment of a resident company in a foreign country

- Foreign source income derived by a collective investment scheme (CIS), closed end fund, CIS manager, CIS administrator, investment adviser or asset manager licensed or approved by the Mauritius Financial Services Commission

- Income derived by companies engaged in ship and aircraft leasing. The Deemed Foreign Tax credit will continue to apply until the relevant grandfathering dates.

Under ITA 1995, interest paid by a GBC1 to a non-resident not carrying on any business in Mauritius out of its "foreign source income" is not subject to withholding tax in Mauritius. To the extent that the Issuer holds a GBL1, interest paid under the Notes issued to non-residents not carrying on any business in Mauritius out of its 'foreign source income' will therefore not be subject to withholding tax in Mauritius.

There is currently no capital duties levied in Mauritius on the issue, transfer, conversion or redemption of the Notes. To the extent that the Issuer does not hold any immovable properties in Mauritius, any transfer of Notes will be registered free of registration duties. Capital gains derived from the sale of the Notes will not be subject to tax in Mauritius.

The Issuer holds tax residence certificates issued by the Mauritius Revenue Authority. These certificates are required for the avoidance of double taxation under the Agreements for the Avoidance of Double Taxation signed between Mauritius and other jurisdictions, including India.

Prospective purchasers of the Notes are urged to consult their own tax advisers in order to fully understand the tax consequences of purchasing the Notes.

Risks Relating to the Notes and the Structure

The Issuer is largely a holding company and its subsidiaries may be restricted from distributing cash to it for purposes of meeting its obligations under the Notes.

The Issuer is largely a holding company and conducts its operations principally through, and derive its sales principally from, its subsidiaries. Repayment of its indebtedness, including the Notes, may depend on the generation of cash flow by its subsidiaries and their ability to make such cash available to the Issuer, by dividend, debt repayment or otherwise. The Issuer's subsidiaries do not have any obligation to pay amounts due on the Notes or to make funds available for that purpose. The ability of the Issuer's subsidiaries to pay dividends or make other distributions or payments to the Issuer will be subject to the availability of profits or funds for such purpose which, in turn, will depend on the future performance of the subsidiary concerned which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond its control.

Each subsidiary is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from its subsidiaries. If the Issuer's subsidiaries do not distribute cash to the Issuer to make scheduled payments on the Notes, the Issuer will be dependent only on its own assets in order to make such payments and may be unable to make required principal and interest payment on its indebtedness, including the Notes.

Applicable tax laws may also subject such payments to further taxation. Applicable law may also limit the amounts that some of the Issuer's subsidiaries will be permitted to pay as dividends or distributions on their equity interests, or even prevent such payments.

Limitations on the Issuer's ability to transfer cash among and within the Group may mean that even though the Issuer, in aggregate, may have sufficient resources to meet its obligations, the Issuer may not be permitted to make the necessary transfers from one entity in the Group to another entity in the Group in order to make payments on the Issuer's obligations, including the Notes.

The Notes will be structurally subordinated to the liabilities of the Issuer's subsidiaries, which might be substantial.

None of the Issuer's subsidiaries will be required to guarantee the Notes. The Issuer's subsidiaries represented 99 per cent. of the Issuer's consolidated revenue for FY2020. As of 31 March 2020, the Issuer's subsidiaries have U.S.$95.40 million of indebtedness (defined as short term and long term borrowing of subsidiaries outside of the group) outstanding, all of which is structurally senior to the Notes. In the event that any subsidiary that does not provide a guarantee becomes insolvent, liquidates or otherwise reorganises, its creditors, including the Noteholders, will have no right to proceed against such subsidiary's assets and creditors of such subsidiaries will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before it will be entitled to receive any distributions from such subsidiary. As such, the Notes will be structurally subordinated to the creditors (including trade creditors) and preference shareholders (if any) of the Issuer's subsidiaries.

The payment of interest and the repayment of principal on the Notes is not guaranteed by UPL, and UPL is not legally obligated to provide any financial support in respect of the Notes.

UPL is not an obligor under the Notes and payment by the Issuer of interest and principal under the Notes is not backed by the credit of, or supported by any guarantee by, UPL. In the event that the Issuer becomes insolvent, liquidates or otherwise reorganises, the Noteholders, will have no right to proceed against UPL or have a claim to UPL's assets.

The Issuer may not be able to generate sufficient cash to service all of its indebtedness, including the Notes, and may be forced to take other actions to satisfy its obligations under such indebtedness, which may not be successful.

The Issuer's ability to make scheduled payments on or refinance its debt obligations, including the Notes, depends on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond its control. The Issuer may be unable to maintain a level of cash flow from operating activities sufficient to permit it to pay the principal, premium, if any, and interest on its indebtedness, including the Notes.

If the Issuer's cash flows and capital resources are insufficient to fund its debt service obligations, it could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness, including the Notes. The Issuer may not be able to effect any such alternative measures on commercially reasonable terms or at all, and, even if successful, those alternatives may not allow it to meet its scheduled debt service obligations. The Terms and Conditions will restrict its ability to dispose of assets and use the proceeds from those dispositions and may also restrict its ability to raise debt or equity capital to be used to repay other indebtedness when it becomes due. The Issuer may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due. The Issuer's inability to generate sufficient cash flows to satisfy its debt obligations, or to refinance its indebtedness on commercially reasonable terms or at all, would materially and adversely affect its financial position and results of operations and its ability to satisfy its obligations under the Notes.

If the Issuer cannot make scheduled payments on its debt, it will be in default and holders of the Notes could declare all outstanding principal and interest to be due and payable, causing a cross-acceleration or cross-default under certain of its other debt agreements, if any. Any of these events could result in investors losing their investment in the Notes.

The Issuer and its subsidiaries may incur substantially more debt, which could exacerbate the risks to its financial condition described in this Offering Circular.

The Issuer and its subsidiaries may be able to incur significant additional indebtedness in the future. Although its existing debt arrangements contain restrictions on the incurrence of certain additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also will not prevent the Issuer from incurring obligations that do not constitute indebtedness. If new debt is added to the Issuer's current debt levels, the related risks that it now faces could intensify.

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes will be effectively subordinated to any of the Issuer's existing and future secured indebtedness to the extent of the value of the collateral secured that indebtedness.

The Notes will not be secured by any of the Issuer's assets. As a result, the Notes will be effectively subordinated to the Issuer's existing and future secured indebtedness with respect to the collateral that secures such indebtedness. The effect of this subordination is that upon a default in payment on, or the acceleration of, any of its secured indebtedness, or in the event of its bankruptcy, insolvency, liquidation, dissolution, reorganisation or other insolvency proceeding, the proceeds from the sale of collateral securing its secured indebtedness will be available to pay obligations on the Notes only after all indebtedness secured by collateral has been paid in full. As a result, the holders of the Notes may receive less, rateably, than the creditors of its secured indebtedness in the event of its bankruptcy, insolvency, liquidation, dissolution, reorganisation or other insolvency proceeding.

The Notes are subject to modification by a majority of Noteholders without the consent of all Noteholders.

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or otherwise exercise their voting rights and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions also provide that the Trustee may, without the consent of the Noteholders, agree to (i) any modification of the Terms and Conditions or any of the provisions of the Trust Deed which in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of law, or any other modification (except as mentioned in the Trust Deed) that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders and (ii) that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders. For further details of such matters and the relevant majorities required at meetings of Noteholders, see Condition 12 (*Meetings of Holders, Modification, Substitution or Variation and Entitlement of Trustee*) of the Terms and Conditions and the corresponding provisions of the Trust Deed.

The Trustee may request that Holders provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including, without limitation, as referred to in Condition 9) of the Terms and Conditions), the Trustee may (at its sole discretion) request the Holders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes steps and/or action and/or institutes proceedings on behalf of the Holders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute such proceedings if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such steps and/or action can be taken and/or such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings notwithstanding the provision of an indemnity and/or security or prefunding to it, in breach of the terms of the Trust Deed constituting the Notes and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Holders to take such steps and/or actions and/or institute such proceedings directly.

The insolvency laws of Mauritius and other local insolvency laws may differ from those of another jurisdiction with which the holders of the Notes are familiar.

As the Issuer is incorporated in Mauritius, any insolvency proceeding relating the Issuer would likely involve Mauritius insolvency laws, respectively, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Notes are familiar. The Issuer cannot give any assurance that any deferred interest would constitute a claim under applicable insolvency laws of Mauritius with the same ranking as would be afforded to such deferred interest in other jurisdictions.

The Issuer may not be able to repurchase the Notes upon a change of control.

Upon the occurrence of a Change of Control Triggering Event, the Issuer will be required to offer to repurchase in cash all outstanding Notes at 101% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the purchase date. The source of funds for any purchase of the Notes would be the Issuer's available cash or cash generated from the Issuer's subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. The Issuer may not be able to repurchase the Notes upon a change of control because the Issuer may not have sufficient financial resources to purchase all of the Notes that are tendered upon a change of control and repay any of our other indebtedness that may become due. The Issuer may require additional financing from third parties to fund any such purchases, and the Issuer may be unable to obtain financing on satisfactory terms or at all. The Issuer's failure to repurchase Notes when due would result in a default under the Terms and Conditions of the Notes. Furthermore, the Issuer's ability to repurchase the Notes may be limited by law. In order to avoid the obligations to repurchase the Notes, the Issuer may have to avoid certain transactions that constitute a change of control under the Terms and Conditions of the Notes even though such transactions may be beneficial to the Group. See Condition 6(d).

Holders of the Notes may not be able to determine when a change of control giving rise to their right to have the Notes repurchased has occurred following a sale of "substantially all" of the Issuer's assets.

The definition of change of control in the Terms and Conditions of the Notes will include a phrase relating to the sale of "all or substantially all" of our assets (calculated on a consolidated basis). There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, the ability of a holder of the Notes to require the Issuer to repurchase the Notes as a result of a sale of less than all of the Issuer's assets (on a consolidated basis) to another person may be uncertain.

Any Subsidiary Guarantees, if issued, may be challenged under applicable financial assistance, insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees.

Under applicable bankruptcy laws, fraudulent transfer laws, insolvency or similar laws, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

- incurred the debt with the intent to hinder, delay or defraud creditors or was influenced by a desire to put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given;

- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee;

- was insolvent or rendered insolvent by reason of the incurrence of such guarantee;

- was engaged in a business or transaction for which the guarantor's remaining assets;

- constituted unreasonably small capital; or

- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the applicable jurisdiction. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its properties at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities in respect of its existing debts as they became absolute and matured.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantor. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees will be limited to the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the guarantee, as it relates to such Subsidiary Guarantor, voidable under such applicable insolvency or fraudulent transfer laws. If a court voids a Subsidiary Guarantee, subordinates such guarantee to other indebtedness of the Subsidiary Guarantor, or holds the Subsidiary Guarantee unenforceable for any other reason, holders of the Notes would cease to have a claim against that Subsidiary Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables and specified statutory dues) of such Subsidiary Guarantor, and would solely be unsecured creditors of the Issuer and any Subsidiary Guarantors whose guarantees have not been voided or held unenforceable. There can be no assurance that, in such an event, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the Notes.

An active trading market for the Notes may not develop or be sustained.

There has been no prior trading market for the Notes. The Issuer has been advised that the Joint Lead Managers intend to make a market in the Notes, but that they are not obligated to do so and may discontinue such market making activity at any time without notice. An active trading market for the Notes might not develop or be sustained. The Notes could trade at prices that may be lower than the initial offering price for the Notes.

The price at which the Notes trade depends on many factors, including:

- prevailing interest rates and the markets for similar securities;
- general economic conditions; and
- the Issuer's financial condition, financial performance and prospects.

Approval-in-principle has been received for the listing and quotation of the Notes on the SGX-ST. No assurance can be given that the application will be approved or that the Issuer will be able to maintain a listing for the Notes or that a liquid trading market for the Notes will develop or continue. If an active market for the Notes fails to develop or be sustained, the trading price of the Notes could be materially and adversely affected. Lack of a liquid or active trading market for the Notes may adversely affect the price of the Notes or may otherwise impede a Holder's ability to dispose of the Notes.

Corporate disclosure standards for debt securities listed on the SGX-ST differ from those of other exchanges.

The Issuer will be subject to the reporting obligations of the SGX-ST, if and for as long as the Notes are listed on the SGX-ST. The disclosure standards imposed by the SGX-ST on issuers and guarantors of debt securities listed on the SGX-ST are different from those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

Certain initial investors or a single initial investor may purchase a significant portion of the Notes and may potentially be able to exercise certain rights and powers on their own.

Certain initial investors or a single initial investor may purchase a significant portion of the aggregate principal amount of the Notes in this offering. Any Holder of a significant percentage of the aggregate principal amount of the Notes will be able to exercise certain rights and powers and will have significant influence on matters voted on by Holders. For example, Holders of at least 50 per cent. (or at adjourned meetings no minimum per cent.) of the aggregate principal amount of the Notes would form a quorum for the purposes of passing an Extraordinary Resolution, while Holders of at least 66 2/3 per cent. (or at adjourned meetings at least 33 1/3 per cent.) of the aggregate principal amount of the Notes would form a quorum for the purposes of voting on reserved matters, including without limitation the modification of the due date for any payment in respect of the Notes or the redemption price of the Notes from that stated in the Terms and Conditions or the reduction or cancellation of the principal amount of, or interest or premium payable on or to vary the method of calculating any premium payable in respect of the Notes or to reduce the Interest Rate on, the Notes.

In addition, as the passing of Extraordinary Resolutions at meetings of Holders requires a majority of 75 per cent. of votes cast, any holder of a significant percentage of the Notes, even if less than a majority, will on its own be able to take certain actions that would be binding on all Holders. For example, holders of at least 25 per cent. of the principal amount of Notes represented at a quorate meeting of Holders are able to block the passing of Extraordinary Resolutions, while holders of at least 25 per cent. of the aggregate principal amount of the Notes outstanding may, subject to the provisions of the Trust Deed and the Terms and Conditions, direct the Trustee to accelerate the Notes.

Additionally, the existence of any such significant Holder may reduce the liquidity of the Notes in the secondary trading market.

The liquidity and price of the Notes following the offering may be volatile.

The price and trading volume of the Notes may be highly volatile. Factors such as variations in the Issuer's revenues, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. There is no assurance that these developments will not occur in the future.

The Notes will be represented by a Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s).

The Notes will initially be represented by beneficial interests in the Global Certificate. Such Global Certificate will be registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream, Luxembourg (each of Euroclear and Clearstream, Luxembourg, a "**Clearing System**")). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates in respect of the Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by a Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by a Global Certificate, the Issuer will discharge its payment obligations under the Notes by making payments to the relevant Clearing System for distribution to their account holders recorded as having an interest in the Notes.

A holder of a beneficial interest in a Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the Notes. None of the Issuer, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies.

Investors in the Notes may be subject to foreign exchange risk.

The Notes are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than U.S. dollars will be subject to foreign exchange risks by virtue of an investment in the Notes, due to, among other things, economic, political and other factors over which the Issuer has no control. Depreciation of the U.S. dollar against such currency could cause a decrease in the effective yield of the Notes for an investor and could result in a loss when the return on the Notes is translated into such currency. Conversely, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Notes in the event of an appreciation.

The ratings assigned to the Notes may be lowered or withdrawn in the future.

The Notes are expected to be rated "Baa3" by Moody's, "BBB-" by S&P and "BBB-" by Fitch. The ratings address the Issuer's ability to perform its obligations under the Terms and Conditions and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time. The Group cannot assure investors that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgement circumstances in the future so warrant. The Issuer does not have any obligation to inform Holders of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

The denominations of the Notes are U.S.$200,000 and higher integral multiples of U.S.$1,000 in excess thereof. Therefore, it is possible that the Notes may be traded in amounts in excess of U.S.$200,000 that are not integral multiples of U.S.$200,000. In such a case, a Holder who, as a result of trading such amounts, holds a principal amount of less than U.S.$200,000 will not receive a definitive certificate in respect of such holding of Notes (should definitive certificates be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more denominations. If definitive certificates are issued, Holders should be aware that Notes with aggregate principal amounts that are not an integral multiple of U.S.$200,000 may be illiquid and difficult to trade.

USE OF PROCEEDS

The gross proceeds from issue of the Notes will be U.S.$497,825,000. The Issuer intends to use the gross proceeds from this offering to fund the Issuer's tender for any or all of its outstanding U.S.$500,000,000 3.25 per cent. Senior Notes due 2021 (the "**2021 Notes**") and the payment of the tender offer related expenses and the expenses for this offering. The remaining balance of the proceeds will be used by the Issuer for debt repayment on or before 30 October 2021. The Issuer will use the proceeds in the interim for general corporate and working capital purpose.

CAPITALISATION

The following table sets forth the Issuer's consolidated debt and capitalisation as of 31 March 2020. The "as adjusted" data set forth below gives effect to the issuance of the Notes and the intended concurrent repurchase of all of its outstanding U.S.$500,000,000 2021 Notes through the tender offer, as if such issuance and repurchase has occurred as at such date. The "as adjusted" data set forth below does not give effect to changes of short-term bank loans and long-term bank loans between 31 March 2020 and the date of this Offering Circular.

This table should be read in conjunction with "*Use of Proceeds*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements and the accompanying notes appearing elsewhere in this Offering Circular. Except as set forth below, there have been no other material changes to the Issuer's capitalisation since 31 March 2020.

	As of March 31, 2020	
	Actual	**As Adjusted**(1)
	(U.S. dollars millions)	
Borrowings(2)		
Short-term borrowings	115.68	115.68
Long-term borrowings	3,617.94	3,117.94
Notes offered hereby(3)	–	500.00
Total borrowings	**3,733.62**	**3,733.62**
Equity		
Stated capital	18.10	18.10
Perpetual Subordinated Capital securities	394.69	394.69
Share premium	1,314.62	1,314.62
Reserves and surplus	660.59	660.59
Non-controlling interests	26.81	26.81
Total equity	**2,414.81**	**2,414.81**
Total capitalisation(4)	6,148.43	6,148.43

Notes:

(1) Figures for the respective financial statements line items under the "As Adjusted" column are derived after considering the impact due to the issuance of the Notes and not considering any other transactions or movements for such financial statement line items after 31 March 2020.

(2) Borrowings include lease obligations.

(3) This represents the aggregate principal amount of Notes, without taking into account, and before deduction of underwriting fees and commissions and other estimated transaction expenses payable.

(4) Total capitalisation equals total borrowings plus total equity.

SELECTED FINANCIAL INFORMATION

The selected consolidated income statement information and consolidated statement of financial position information as of and for FY2018, FY2019 and FY2020 of the Group, which have been derived from the Issuer's audited consolidated financial statements as of and for FY2019 and FY2020 prepared in accordance with the IFRS as issued by the IASB and the requirements of the Companies Act 2001. The audited consolidated financial statements as of and for FY2018 and FY2019 were audited by Crowe Horwath ATA, and the audited consolidated financial statements as of and for FY2020 were audited by KPMG, in accordance with the International Standards on Auditing which are each included elsewhere in this Offering Circular.

The Issuer's financial information has been prepared in accordance with the IFRS. Prospective investors should read the selected financial data presented below in conjunction with "*Use of Proceeds*", "*Capitalisation*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the Issuer's consolidated financial statements and the related notes thereto, included elsewhere in this Offering Circular.

The Issuer has carried out certain reclassifications and corrections of errors ("**restatements**") in the FY2020 Financial Statements pertaining to FY2019.

Correction of Errors

The Issuer had in the FY2020 Financial Statements carried out certain restatements for the financial statements as of and for the year ended 31 March 2019 because the management noted that there were classification inconsistencies on the consolidated financial statements which are included as comparatives in the FY2020 Financial Statements as compared to the classification in the FY2019 Financial Statements. In connection with the foregoing, the consolidated statement of financial position as of 31 March 2018 has also been restated as of 1 April 2018. For more information, please refer to Notes 46(A) and 46(C) of the FY2020 Financial Statements.

In connection with the foregoing restatements, the consolidated income statement information of FY2018 has been reclassified solely in this Offering Circular to ensure that they are directly comparable to the consolidated income statement information for FY2019 and FY2020. The Group believes that the restatements do not impact the Group's net profits, net worth or net debt.

Revision pursuant to finalization of Arysta Purchase Price Allocation

On 31 January 2019, the Group acquired the entire share capital of Arysta Lifescience Inc., a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result, the Group obtained control of Arysta and its subsidiaries. In the FY2019 Financial Statements, the amounts of assets and liabilities recognised for Arysta were all provisional, as valuation activity was ongoing considering nature and size of Arysta's market presence. In the FY2020 Financial Statements, the Issuer has retrospectively revised the comparative balance sheet amounts as at 31 March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities. For more information, please refer to Notes 46(B) of the FY2020 Financial Statements.

The Issuer's financial information as of FY2019 contained in the Issuer's FY2020 Financial Statements have been restated and revised. Unless otherwise specified, all references in this Offering Circular to the financial information of the Issuer as of and for FY2019 are derived from the FY2020 Financial Statements.

Such restatements described above have not been carried out for the FY2018 Financial Statements or the FY2019 Financial Statements included elsewhere in this Offering Circular. Accordingly, the FY2018 Financial Statements and the FY2019 Financial Statements have not been restated, revised or reclassified for the purposes of the above changes and are therefore not directly comparable to the FY2020 Financial Statements included in this Offering Circular.

This represents the aggregate principal amount of Notes, without taking into account, and before deduction of underwriting fees and commissions and other estimated transaction expenses payable.Consolidated Income Statement of the Group

The consolidated income statement of the Group for FY2018, FY2019 and FY2020 are presented in the table below.

	For the year ended 31 March		
	2018	2019[(1)]	2020
	(U.S. dollars thousands)		
	(audited)	(audited, revised)	(audited)
Income			
Revenue from operation	2,139,904	2,602,822	4,486,813
Direct costs	(1,382,035)	(1,722,182)	(2,917,882)
Gross profit	757,869	880,640	1,568,931
Other income	636	1,676	1,224
	758,505	**882,316**	**1,570,155**
Expenses			
Other expenses	(364,230)	(473,162)	(789,235)
Impairment loss on trade receivables	(1,244)	9,569	(484)
Depreciation and impairment	(18,505)	(9,496)	(44,921)
Amortisation	(37,163)	(63,930)	(163,375)
Finance costs	(93,829)	(142,325)	(172,099)
Finance income	14,288	15,124	7,554
Net finance cost	**(79,541)**	**(127,201)**	**(164,545)**
Profit from operations	**257,822**	**218,096**	**407,595**
Fair value gain/(loss) on financial assets at FVTPL	1,998[(2)]	(1,846)	(6,195)
Restructuring cost/Arysta acquisition/ Integration cost	(4,535)	(52,918)	(37,172)
Litigation cost/Restructuring cost and Product contamination and counterfeiting	(4,080)	(11,274)	(49,307)
Share of (loss)/profit from associates	(16,389)	366	(340)
Share of (loss)/profit from joint ventures	1,048	1,622	849
Profit before taxation	**235,864**	**154,046**	**315,430**
Taxation	(29,013)	(12,485)	(73,081)
Profit for the year/period	**206,851**	**141,561**	**242,349**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Fair value loss on Financial assets at fair valued through OCI	–	(7,430)	(3,825)
Remeasurement of defined benefit liability (asset)	–	(336)	(1,391)
Items that may be reclassified subsequently to profit or loss:			
Foreign operations – foreign currency translation differences	(527)	(109,154)	(182,789)
Cash flow from hedging – effective portion of changes in fair value	–	(11,531)	(18,747)
Other Comprehensive income for the year/period, net of tax	**(527)**	**(128,451)**	**(206,752)**
Total Comprehensive income for the year/period	**206,324**	**13,110**	**35,598**
Profit for the year/period attributable to:			
Owners of the Company	205,285	138,557	236,143
Non-controlling interests	1,566	3,004	6,206
	206,851	**141,561**	**242,349**

Note:

(1) Refer to Note 46 of the FY2020 Financial Statements.

(2) This appears as "Reversal of provision for diminution" in the FY2018 Financial Statements.

Consolidated Statement of Financial Position of the Group

The consolidated statement of financial position of the Group as of FY2018, FY2019 and FY2020 are presented in the table below.

	As of 31 March		
	2018	**2019**	**2020**
	(U.S. dollars thousands)		
	(audited, restated)	**(audited, restated and revised)**	**(audited)**
ASSETS			
Non-current assets			
Goodwill	159,718	2,492,285	2,494,046
Intangible assets	115,338	1,521,040	1,398,661
Intangible assets under development	29,129	89,496	122,992
Right of use assets	–	–	69,866
Property, plant and equipment	134,939[1]	318,301	309,847
Capital work in progress	71,224	49,684	33,584
Financial assets at fair value through profit or loss	79,278	16,273	9,755
Financial assets at fair value through other comprehensive income	–	6,337	3,159
Investment in associates	47,568	45,902	35,307
Investment in joint ventures	7,899	10,581	10,068
Trade receivables	225	491	29,570
Other financial assets	–	–	11,623
Other receivables	9,775[1]	39,121	42,925
Other investments	1,091[1]	1,063	833
Advances to Related Parties	9,052[1]	8,360	7,190
Convertible loan notes	5,000	5,000	5,000
Deferred tax assets	72,194[1]	172,664	213,031
Advance tax	3,826[1]	24,567	2,174
Total non-current assets	**746,256**	**4,801,165**	**4,799,631**
Current assets			
Other Investments	–	283	13
Inventories	460,992	1,038,643	858,999
Other financial assets	5,471	2,024	67,573
Other receivables	54,428	154,138	132,617
Advance tax	4,183[1]	900	11,544
Trade receivables	779,813	1,560,467	1,401,546
Advances to related parties	15,601[1]	150,160	86,209
Cash and cash equivalents	416,600	379,970	861,047
Assets held for sale	3,057[1]	3,746	6,798
Total current assets	**1,740,145**[1]	**3,290,331**	**3,426,346**
TOTAL ASSETS	**2,486,401**	**8,091,496**	**8,225,977**

	As of 31 March		
	2018	2019	2020
	(U.S. dollars thousands)		
	(audited, restated)	(audited, restated and revised)	(audited)
EQUITY AND LIABILITIES			
Equity			
Stated capital	13,600	18,102	18,102
Perpetual Subordinated Capital Securities	–	–	394,686
Share premium reserve	–	1,314,670	1,314,616
Retained earnings	743,987	861,898	1,085,936
Cash flow hedge reserve	–	(11,531)	(30,277)
Fair value reserves	–	(7,430)	(11,255)
Translation reserves	(112,254)	(213,270)	(383,818)
Equity attributable to equity holders of the parent	**645,333**	**1,962,439**	**2,387,989**
Non-controlling interests	97,747	94,157	26,805
Total equity	**743,080**	**2,056,596**	**2,414,795**
Non-current liabilities			
Bonds	792,713	792,730	794,041
Borrowings	132,419	2,956,080	2,762,778
Long term lease obligation	–	–	61,117
Deferred tax liabilities	6,672	311,969	346,262
Provisions	10,723	22,937	18,231
Other long term liabilities	14,384	19,103	5,445
Total non-current liabilities	**956,911**	**4,102,819**	**3,987,874**
Current liabilities			
Borrowings	59,904	240,846	102,790
Current maturity of lease obligation	–	–	12,893
Trade payables	625,578	1,257,400	1,163,952
Other payables	89,005	251,051	378,763
Current tax liabilities	8,673(1)	86,251	50,890
Provisions	3,250(1)	96,533	114,021
Total current liabilities	**786,410**	**1,932,081**	**1,823,309**
Total liabilities	**1,743,321**	**6,034,900**	**5,811,183**
TOTAL EQUITY AND LIABILITIES	**2,486,401**	**8,091,496**	**8,225,977**

Note:

(1) Restated as of 1 April 2018. Refer to Note 46 of the FY2020 Financial Statements.

Consolidated Statement of Cash Flows of the Group

The consolidated statement of cash flows of the Group for FY2018, FY2019 and FY2020 are presented in the table below.

	For the year ended 31 March		
	2018	**2019[1]**	**2020**
		(U.S.$ thousands) (audited)	
Net cash from operating activities	**356,672**	**424,077**	**1,062,241**
Net cash used in investing activities	**(193,432)**	**(4,346,938)**	**(194,231)**
Net cash (used in)/from financing activities	**(164,263)**	**3,961,902**	**(226,081)**
Net (decrease)/increase in cash and cash equivalents	**(1,023)**	**39,041**	**641,929**
Cash and cash equivalents at start of the year/period	423,906	416,600	379,970
Effect of exchange rate difference	(6,284)	(75,671)	(160,852)
Cash and cash equivalents at end of the year/period	**416,600**	**379,970**	**861,047**

Note:

(1) Restated and revised. Refer to Note 46 of the FY2020 Financial Statements.

Other Financial Data of the Group

The consolidated operating data of the Group for FY2018, FY2019 and FY2020 are presented in the table below.

	For the year ended 31 March		
	2018	**2019**	**2020**
		(U.S.$ thousands, except ratios and percentages where indicated)	
EBITDA[1]	392,395	417,047	779,212
EBITDA Margin[1][2]	18.34%	16.02%	17.37%
Net debt/EBITDA[1][3]	1.45x	8.66x	3.69x
EBITDA/Interest expense[1][4]	4.18x	2.93x	4.53x
Cash flow from operations/Debt[5][6]	36.21%	10.63%	28.45%

Notes:

(1) EBITDA is defined as earnings before interest, taxes, depreciation, and amortisation, excluding finance income and other income. EBITDA, as presented in this Offering Circular, is a supplemental measure of the Issuer's performance and liquidity that is not required by or presented in accordance with IFRS. EBITDA is not a measurement of the Issuer's financial performance or liquidity under IFRS and should not be considered as an alternative to profit for the year, results from operating activities or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of the Issuer's liquidity. EBITDA facilitates operating performance comparisons from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of change in effective tax rates or net operating losses) and the age and book depreciation of tangible assets (affective relative depreciation expense). The EBITDA information is presented also as it is frequently used by securities analysts, investors and other interested parties in the evaluation of similar issuers, the vast majority of which present EBITDA when reporting their results. Finally, EBITDA is as an indication of the Issuer's ability to service the Issuer's debt. For a discussion of the limitations of EBITDA as an analytical tool, see "*Presentation of Financial and Other Information.*"

The following table provides a reconciliation of EBITDA to consolidated profit (loss):

	For the year ended 31 March		
	2018	**2019**	**2020**
		(U.S.$ thousands)	
Profit from operations	257,822	218,096	407,595
Finance income	(14,288)	(15,124)	(7,554)
Other income	(636)	(1,676)	(1,224)
Finance costs	93,829	142,325	172,099
Depreciation and impairment	18,505	9,496	44,921
Amortisation	37,163	63,930	163,375
EBITDA	**392,395**	**417,047**	**779,212**

(2) EBITDA Margin is defined as EBITDA divided by revenue.

(3) Total Debt is defined as short-term borrowings plus long-term borrowings and lease obligations. Net debt is defined as total debt minus cash and cash equivalents.

(4) Interest expenses is defined as finance cost as reflected in the Issuer's audited consolidated financial statements.

(5) Cash flow from operation is defined as net cash from/(used in) operating activities as reflected in the Issuer's audited consolidated financial statements.

(6) Debt is defined as gross debt which includes bonds, non-current borrowings, current borrowings and lease obligations as reflected in the Issuer's audited consolidated financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You are encouraged to read the following discussion in conjunction with the section entitled "Selected Financial Information" as well as with the Issuer's Financial Statements and the related notes thereto included elsewhere in this Offering Circular. The following discussion includes forward-looking statements which, although based on assumptions that the Issuer considers reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. For a discussion of some of those risks and uncertainties please refer to the sections entitled "Forward-Looking Statements" and "Risk Factors".

The Issuer has carried out certain reclassifications and corrections of errors ("**restatements**") in the FY2020 Financial Statements pertaining to FY2019. However, there is no impact of the measurement of these items on the profit of the Group for FY2019 and the Group's net worth as at 31 March 2019. On 31 January 2019, the Group acquired the entire share capital of Arysta Lifescience Inc., a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result, the Group obtained control of Arysta and its subsidiaries. In the FY2019 Financial Statements, the amounts of assets and liabilities recognised for Arysta were all provisional, as valuation activity was ongoing considering nature and size of Arysta's market presence. The finalised valuation have been reflected in the FY2020 Financial Statements. The Issuer has retrospectively revised the comparative balance sheet amounts as at 31 March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities. For more information please refer to Note 46 of the FY2020 Financial Statements.

The Issuer has carried out certain reclassifications and corrections of errors ("**restatements**") in the FY2020 Financial Statements pertaining to FY2019.

Correction of Errors

The Issuer had in the FY2020 Financial Statements carried out certain restatements for the financial statements as of and for the year ended 31 March 2019 because the management noted that there were classification inconsistencies on the consolidated financial statements which are included as comparatives in the FY2020 Financial Statements as compared to the classification in the FY2019 Financial Statements. In connection with the foregoing, the consolidated statement of financial position as of 31 March 2018 has also been restated as of 1 April 2018. For more information, please refer to Notes 46(A) and 46(C) of the FY2020 Financial Statements.

In connection with the foregoing restatements, the consolidated income statement information of FY2018 has been reclassified solely in this Offering Circular to ensure that they are directly comparable to the consolidated income statement information for FY2019 and FY2020. The Group believes that the restatements do not impact the Group's net profits, net worth or net debt.

Revision pursuant to finalization of Arysta Purchase Price Allocation

On 31 January 2019, the Group acquired the entire share capital of Arysta Lifescience Inc., a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result, the Group obtained control of Arysta and its subsidiaries. In the FY2019 Financial Statements, the amounts of assets and liabilities recognised for Arysta were all provisional, as valuation activity was ongoing considering nature and size of Arysta's market presence. In the FY2020 Financial Statements, the Issuer has retrospectively revised the comparative balance sheet amounts as at 31 March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities. For more information, please refer to Notes 46(B) of the FY2020 Financial Statements.

The Issuer's financial information as of FY2019 contained in the Issuer's FY2020 Financial Statements have been restated and revised. Unless otherwise specified, all references in this Offering Circular to the financial information of the Issuer as of and for FY2019 are derived from the FY2020 Financial Statements.

Such restatements described above have not been carried out for the FY2018 Financial Statements or the FY2019 Financial Statements included elsewhere in this Offering Circular. Accordingly, the FY2018 Financial Statements and the FY2019 Financial Statements have not been restated, revised or reclassified for the purposes of the above changes and are therefore not directly comparable to the FY2020 Financial Statements included in this Offering Circular.

Overview

The Issuer is a subsidiary of UPL, one of the leading global crop protection products companies based in India which is listed on both the National Stock Exchange of India Limited and BSE Limited. UPL was the fifth largest agrochemical company globally by revenue (on a consolidated basis with Arysta for 2019, according to IHS Markit. It is an operating company that leads the international operations of UPL through its subsidiaries across the world. The Issuer is the holding company of UPL's international operations.

Since its inception in 1993, the Issuer has expanded its production and distribution footprint through its subsidiaries internationally and now have a diversified crop protection and post-harvest solution business with an established presence and leading market position in major agricultural regions throughout the world. As of the date of this Offering Circular, the Issuer had 219 subsidiaries, 15 associates and three joint ventures located in countries including Argentina, Australia, Brazil, China, Colombia, France, Germany, Indonesia, Italy, Japan, Mexico, the Netherlands, Spain, Thailand, the United States and the United Kingdom For FY2020, the Issuer's operating revenue was U.S.$4,486.81 million.

The Issuer believes it has the ability to offer a full range of solutions to its customers across the agricultural value and process chain resulting from the vertical integration of UPL's and its operations. The Issuer operates primarily in the post-patent segment of the crop protection market, which consists of products using technical active ingredients for which the patent has expired. The Issuer's recent acquisition of Arysta complements its offerings by offering customised and niche products. As opposed to operating in the post-patent segment of the crop protection market, Arysta differentiates itself by adapting its offerings to allow farmers to meet distinct local needs and by providing crop protection solutions for niche and specialty crops, products for underserved or hard-to-control pests affecting commodity grain crops, alternative application methods like seed and soil applied technologies, and bio-based products that are used as alternatives or in addition to conventional chemical applications. The Issuer's acquisition of Arysta also allows it to leverage economies of scale by increasing its procurement and R&D efficiencies, as well as consolidating its support functions, while optimising its manufacturing footprint.

The Issuer's R&D and manufacturing centres are interconnected across its global network, each located at strategic locations, enabling it to efficiently improve its products and deliver value-added solutions on a global scale and in a cost-efficient manner. As of 31 March 2020, the Issuer has more than 13,600 products registered in more than 135 countries across 6 continents in which it operates. As of 31 March 2020, the Issuer had 29 manufacturing facilities and 10 R&D centres. In addition, the Issuer's strong R&D capabilities are reinforced by 700 R&D professionals across UPL Limited. The R&D capabilities are strengthened by the Group's key R&D platforms including "OpenInnovation" and "OpenAG". The "OpenInnovation" platform allows for collaborative networks with start-ups, scientific, community, research organisations, R&D companies and governments. The "OpenAG" platform fosters an open agriculture network that feeds sustainable growth, demonstrating the Group's concept of "No limits, no borders". Furthermore, the in-house research capabilities, including combinations of post-patent formulas have contributed to an ability to develop products globally, whilst the Issuer's continuing experience in providing customised and niche solutions further complements existing R&D capabilities.

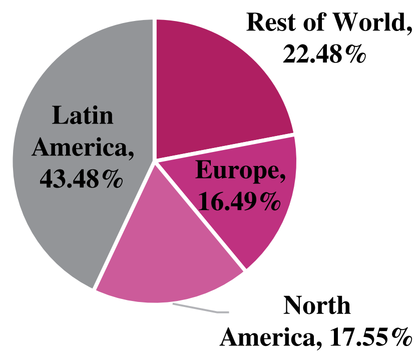
The comprehensive product portfolio of the Issuer covers the entire agricultural value chain, including seeds, seeds treatment, crop protection, storage of agricultural products as well as post-harvest solutions. The Issuer has also developed extensive in-house capabilities across its process value chain, such as in R&D, product development, registration, manufacture of active ingredients, formulation and packaging to marketing and distribution, with the objective of creating innovative, differentiated and compelling product mixes. The Issuer offers a comprehensive product portfolio of crop protection chemicals from fungicides, herbicides, insecticides and other related products. Since its inception, the Issuer has expanded its business beyond crop protection to post-harvest solutions and animal health products such as honey bee protective miticides and veterinary vaccines, among others. The Issuer believes that its products are viewed as premium products in the market and enjoy strong brand recognition.

In addition, the Issuer markets and distributes products purchased from UPL in over 140 countries through its extensive sales and marketing team, which is bolstered by its robust relationships with its distributors. In providing tailored local solutions, Arysta has also established dedicated local marketing and commercial teams and distributes the Issuer's products through multiple sales channels consistent with local market dynamics. This "close-to-farmer" approach is critical to establishing strong customer relationships, understanding unmet needs and strengthening brand loyalty. As of 31 March 2020, the Issuer had 5,607 employees globally and had dedicated sales and marketing teams across North America, Latin America, Europe and the rest of the world (excluding India).

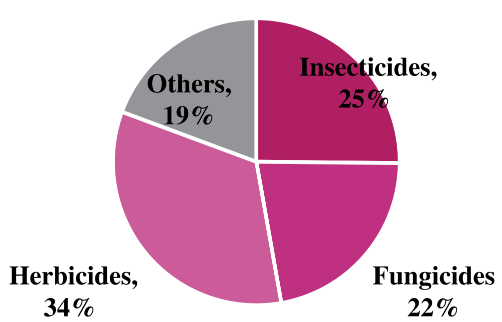
For FY2018, FY2019 and FY2020, the Issuer's total consolidated revenue from operation was U.S.$2,139.90 million, U.S.$2,602.82 million and U.S.$4,486.81 million, respectively. For FY2018, FY2019 and FY2020, its profit after tax was U.S.$206.85 million, U.S.$141.56 million and U.S.$242.35 million, respectively.

The following charts illustrate the Issuer's product and geographic diversity.

FY 20 - Revenue by Geography



FY 20 - Revenue by Products



Significant factors affecting results of operations and financial condition

The Issuer believes that the following factors have significantly affected its results of operations and financial condition during the periods under review, and may continue to affect its results of operations and financial condition in the future.

Impact of COVID-19

The outbreak of COVID-19 commenced in early 2020 and was declared a pandemic by the World Health Organisation on 11 March 2020. The governments of various countries notified lockdown to contain the outbreak of COVID-19 and there have been several restrictions imposed by the various governments across the globe on travel, goods, movement and transportation in consideration of public health and safety measures. Such restrictions may continue to impact the operations of the Issuer if further restrictions are imposed by the relevant regulatory authorities. Any enhanced regulatory requirements on movement of people and goods across state and country borders due to lock down imposed in several of LATAM, African and European countries may further impact business activities.

While the Issuer follows a multi-sourcing strategy for active ingredients and raw materials, there can be no assurance that there will be no disruption to the Issuer's supply of active ingredients and raw materials. Any failure to obtain alternative supply or maintain a reliable supply chain could severely impact the Issuer's business, results of operations, financial condition and prospects. Restrictions on movement of its finished products and employees could cause disruptions in transportation leading to an adverse effect on its operations. The evolving COVID-19 situation, together with continuing political and economic uncertainties, will affect global operating conditions in 2020. Prices across a broad range of commodities have fallen post the outbreak of COVID-19, with heightened volatility in these prices and potential for increased counterparty risks from the Issuer's customers.

Durations of border controls, travel and movement restrictions, and the longer-term effects of the COVID-19 pandemic on the Issuer's businesses are uncertain. A significant reduction in economic activity and increased unemployment may adversely affect the Issuer's business operations, financial condition, results of operations and prospects, however, since the Issuer is part of the food value chain, such impact is likely to be lesser than most other sectors.

Acquisition of Arysta

On 31 January 2019, the Issuer completed the acquisition of Arysta. Arysta is a global provider of innovative crop protection solutions, including BioSolutions and seed treatments, and specialises in the development, formulation, registration, marketing and distribution of differentiated crop protection products for a variety of crops and applications. Arysta's products are utilised by farmers through the entire growing cycle, from burn-down through pre-emergence to pre-harvest, and allow the Issuer to partner with growers to address the ever-increasing need for higher crop yield and food quality.

As a result of this acquisition, the Group obtained control of Arysta and its subsidiaries. For the two months ended 31 March 2019, the Group recorded a revenue of U.S.$279.86 million and a profit of U.S.$18.63 million without fair valuation adjustments pertaining to the business combination of Arysta and its subsidiaries. As the acquisition occurred towards the end of the financial year and considering the size and spread of business and different GAAP followed by the Arysta Group, it was impracticable to calculate the estimated full year revenue and profit if the acquisition had occurred on 1 April 2018.

For more details on the accounting impact of the acquisition of Arysta, please refer to Notes 49 and 55 of the consolidated financial statements of the Issuer for FY2019 and Notes 45 and 46 of the Consolidated Financial Statements for FY2020. Demand for the Issuer's products is driven by macroeconomic factors, weather and market cyclicality.

The demand for the Issuer's products is affected by macroeconomic conditions in general. Its revenue growth is dependent on the global economic environments as well as the overall condition of Latin America, North America, Europe and the rest of the world. In the past, the Issuer's results of operations were affected by, and it is expected that the financial results of the Issuer will continue to be affected by, key macroeconomic factors such as GDP growth, inflation, interest rates, currency exchange rates, unemployment rates, rate of corporate insolvencies and financial condition of its competitors. While the Issuer believes that its diversification across products, markets, geographies and customers reduces, in part, its sensitivity to economic cycles in certain geographies and markets, the Issuer is particularly affected by factors affecting the agricultural industry in Latin America, North America and Europe.

Substantially all of the Issuer's business is dependent on the sales of its crop protection products, which are used in a variety of crops at different stages. As such, soft commodity prices, variable weather patterns, floods and droughts that impact the agricultural industry affect the demand for its products. Weather conditions, for example, can affect the timing of crop planting and the acreage planted on a regional and local basis. Weather can also affect crop yields and commodity prices, which can affect farmer behaviour. In addition, weather conditions can affect the presence of disease and pests and therefore can influence the demand for crop protection products and the mix of products used during the growing cycle. For example, a warm and humid growing season is generally associated with an increased incidence of fungal diseases, which increases demand for fungicides. Weather conditions and outlook are particularly important at the start of the planting season when farmers are making planting decisions and purchasing many of their crop protection products. However, the Issuer believes that its geographic diversity, with a balanced mix of revenue from Latin America, North America and Europe, in addition to other regions, helps to mitigate the overall effects of weather on its business. See "*Description of the Issuer – Competitive Strengths – Diversified geographical footprint with strategically located manufacturing facilities*".

The Issuer's operations are also subject to the cyclical and, more importantly, variable nature of the supply and demand balance in the agricultural industry, and its future results of operations may continue to be affected by this cyclicality and variability. Prospects for GDP growth globally and particularly in Latin America, North America and Europe, as well as other macroeconomic factors are by their nature uncertain and strongly dependent upon, among other factors, the general economic environment. A deterioration in economic conditions in any of the Issuer's key markets that is widespread, pronounced and/or long-lasting, such as the global financial crisis in 2008 and 2009, could have a significant impact on its results of operations and financial condition. The Issuer's markets can also be affected by the rate of economic development in other countries.

Fluctuations in the prices of raw materials

The costs of raw materials constitute a significant component of the Issuer's operating costs. For FY2019 and FY2020, the purchase of agrochemical, bio solution and other products constituted 58.50 per cent. and 58.91 per cent. of its total revenue from sales, respectively. The Issuer's contracts with suppliers are typically of a specified duration and subject to renegotiation upon renewal. The Issuer attempts to align its supplier requirements with the projected demand from its customers, and provisions relating to volume estimates may impact its ability to effectively increase or decrease its raw material in accordance with its actual production requirements under the Issuer's contracts. The Issuer's results of operations are directly affected by any volatility in the cost of its raw materials, which are subject to global supply and demand and other factors beyond its control. The Issuer generally seek to pass on to its customers increases in raw material prices. However, due to pricing and other competitive or market pressures the Issuer may be unable to do so completely or at all. Furthermore, volatility in the cost of these raw materials makes it more challenging to manage pricing and the Issuer may experience a time lag between an increase in raw material prices and any increase in its prices to its customers. Although changes in the prices of raw materials usually translate to changes in product prices in the long run, prices of the Issuer's products may not immediately reflect changes in the prices of raw materials as a result of its pricing mechanisms or delays in updating its product prices. This impacts the Issuer's ability to pass the increases on to its customers in a timely manner. Accordingly, fluctuations in the prices of raw materials can have a significant impact on its gross profits, gross margins and other operating results. The Issuer also aims to minimise the price fluctuations in its long-term contracts for supplies of raw materials through appropriate price formulas. The formulas reduce the risk of large deviations of contracted purchase prices from market prices. Changes in the prices of raw materials have a direct impact on the Issuer's working capital levels. In general, increases in prices lead to an increase in its working capital requirements and decreases lead to a decrease in its working capital requirements. See "*Risk Factors – Price fluctuations in the cost of raw materials and fuel, used to manufacture products of the Issuer, or disruptions in the supply of raw materials and fuel, may adversely affect its manufacturing costs*".

Fluctuations in margins and supply and demand for products of the Issuer

The margins in the Issuer's markets are strongly influenced by input cost of raw materials and crop commodity prices. Overall growth in certain markets, such as those for agricultural products, tends to correlate closely with global GDP growth. As demand for products increases and approaches available supply, utilisation rates rise, and prices and margins typically increase. Supply in the Issuer's markets tends to be cyclical, generally characterised by periods of limited supply, resulting in higher operating rates and margins, followed by periods of oversupply, typically stimulated by the creation of additional capacity, resulting in lower operating rates and margins. In addition to being cyclical, the Issuer's margins are also susceptible to potentially significant swings in the short term due to various factors, including planned or unplanned plant outages, political or economic conditions affecting prices and changes in inventory management policies by customers (such as inventory building or de-stocking in periods of expected price increases). Fluctuations in farmer income can also affect demand for products of the Issuer. The level of usage for crop protection products can be directly associated with farmer income. Healthy income for farmers results in higher discretionary spending which in turn can encourage growers to seek the best crop protection solutions available, including products of the Issuer.

Current and future environmental regulatory considerations

The Issuer is subject to extensive environmental, health and safety regulations at both the local and national levels, including those governing air emissions; water supply, water use and discharge into water, the construction and operation of sites, the use, management, storage and disposal of waste and other hazardous materials, the health and safety of the Issuer's employees, the investigation and remediation of contaminated land and the health and safety impact of the Issuer's products. The Issuer is required to obtain and periodically renew permits or licenses for industrial operations that result in discharge into the soil, air or water, as well as the use and handling of waste and other hazardous materials. Such permits and licenses establish limitations and standards with respect to its operations that require compliance. The Issuer maintains the highest standard of care and employ adequate staffing to properly dispose of waste. Its sites are regularly audited and inspected by governmental bodies in the respective jurisdiction for each of its subsidiaries. Each of the Issuer's plant comprises a state-of-the art effluent treatment plant. It has also installed superior scrubbers to minimise the emission of harmful chemicals, fumes and dust particles from its manufacturing facilities. There are numerous laws that affect the Issuer's business, and it has incurred, and expects to continue to incur, substantial on-going capital expenditures to ensure compliance with current and future laws and regulations. The Issuer may also incur remediation, decommissioning and on-going upgrade or compliance costs in connection with its production facilities and other properties. However, the Issuer believes that the potential remediation costs would not be high, and it does not anticipate that they could influence its results of operations.

Foreign currency exchange rate fluctuations

The Issuer operates internationally and as a result, is exposed to various currency risks and exposures, including in particular, in relation to the U.S. Dollar, Euro and Brazil Real. Although the Issuer's reporting currency is the U.S. dollars, a substantial part of its revenues and costs are in a currency other than U.S. dollar. The Issuer is therefore affected by both the transaction effects and translation effects of foreign currency exchange rate fluctuations. A depreciation of these currencies against the U.S. dollar will decrease the U.S. dollar equivalent of the amounts derived from these operations reported in its consolidated financial statements. An appreciation of these currencies will result in a corresponding increase in such amounts. Fluctuations in exchange rates have an impact on the volume of revenue from sales and purchase costs of raw materials. An increase in the relative strength of the U.S. dollar against other currencies may have a negative impact on the profitability of the Issuer's sales in different geographies. As a result of its purchases of raw materials, product sales, loans and borrowings and cash in foreign currencies, it has been, and expects to continue to be, exposed to foreign exchange rate fluctuations, which could materially affect its results of operations, assets and liabilities, and cash flows as reported in U.S. dollar. Variability in exchange rates could also significantly impact the comparability of the Issuer's results of operations between periods.

Hazards and risks of disruption associated with chemical manufacturing

The Issuer is exposed to the typical hazards and risks of disruption associated with chemical manufacturing and the related storage and transportation of raw materials, products and wastes. These potential risks of disruption include, among others, explosions and fires, inclement weather and natural disasters, and failure of mechanical, process safety and pollution control equipment. When such disruptions occur, alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant time to start production, which could negatively affect the Issuer's business and financial performance. Although these kinds of events are standard, they occur infrequently and are typically short-lived.

Seasonality

The agricultural industry is subject to seasonal fluctuations in demand. Typically, farmers traditionally purchase crop protection products in the spring and fall in connection with the main planting and harvesting seasons. Therefore, the Issuer's net sales and results of operations have historically been the highest in the fourth quarter, which is during spring season in the northern hemisphere, and lowest in the second quarter. This seasonality may cause the Issuer's net sales to vary across different calendar quarters from year to year.

Variation in costs, including direct costs and employee benefits expense

Direct costs

These costs have a significant effect on the Issuer's results of operations. Such expenses are comprised primarily of material purchases, power and fuel costs, processing charges, transport charges, rebate, commission and discount costs. Increases in sales typically result in a corresponding increase in such variable costs while semi-variable/fixed costs do not increase in the same proportion, which leads to improvement in overall margin. The following tables set forth the Issuer's direct costs for FY2018, FY2019 and FY2020.

	For the year ended 31 March		
	2018	**2019**	**2020**
	(audited, reclassified)	**(audited, revised)**	**(audited)**
	(U.S. dollar thousands except percentages)		
Purchases of agro-chemical, bio solution[(1)] and other products	1,194,975	1,522,732	2,643,367
Power and fuel	7,770	8,542	10,255
Processing charges	80,983	100,550	122,755
Rebate, commission and discount	29,723	14,543	18,346
Effluent disposal charges	4,440	5,006	6,989
Water charges	527	523	881
Non Recoverable tax-variable cost	2,324	2,274	2,961
Transport charges	58,380	61,099	102,746
Royalty charges	2,913	6,913	9,582
Total direct costs	1,382,035	1,722,182	2,917,882
Direct costs as a percentage of revenue from operations (%)	64.6	66.2	65.0

Note:

(1) This appears as "Cost of Sales" in the FY2018 and FY2019 Financial Statements.

Employee benefits expense

The Issuer's consolidated employee benefits expense costs comprise its largest fixed cost and have a significant effect on its results of operations. Its consolidated employee benefits expense costs generally comprise of salaries and compensations given to permanent employees. As of 31 March 2020, the Issuer had a total of 5,607 full-time employees. The following table sets forth the Issuer's employee benefits expense costs for FY2018, FY2019 and FY2020.

	For the year ended 31 March		
	2018	**2019**	**2020**
	(audited, reclassified)	**(audited, revised)**	**(audited)**
	(U.S. dollar thousands except percentages)		
Employee benefits expense	185,655	216,491	388,089
Personnel expenses as a percentage of revenue (%)	8.68	8.32	8.65

Results of operations

	For the year ended 31 March		
	2018	**2019[1]**	**2020**
	(U.S. dollars thousands)		
	(audited)	**(audited, revised)**	**(audited)**
Income			
Revenue from operation	2,139,904	2,602,822	4,486,813
Direct costs	(1,382,035)	(1,722,182)	(2,917,882)
Gross profit	757,869	880,640	1,568,931
Other income	636	1,676	1,224
	758,505	**882,316**	**1,570,155**
Expenses			
Other expenses	(364,230)	(473,162)	(789,235)
Impairment loss on trade receivables	(1,244)	9,569	(484)
Depreciation and impairment	(18,505)	(9,496)	(44,921)
Amortisation	(37,163)	(63,930)	(163,375)
Finance costs	(93,829)	(142,325)	(172,099)
Finance income	14,288	15,124	7,554
Net finance cost	**(79,541)**	**(127,201)**	**(164,545)**

	For the year ended 31 March		
	2018	2019[1]	2020
	(U.S. dollars thousands)		
	(audited)	(audited, revised)	(audited)
Profit from operations	**257,822**	**218,096**	**407,595**
Fair value gain/(loss) on financial assets at FVTPL	1,998[2]	(1,846)	(6,195)
Restructuring cost/Arysta acquisition/ Integration cost	(4,535)	(52,918)	(37,172)
Litigation cost/Restructuring cost and Product contamination and counterfeiting	(4,080)	(11,274)	(49,307)
Share of (loss)/profit from associates	(16,389)	366	(340)
Share of (loss)/profit from joint ventures	1,048	1,622	849
Profit before taxation	**235,864**	**154,046**	**315,430**
Taxation	(29,013)	(12,485)	(73,081)
Profit for the year/period	**206,851**	**141,561**	**242,349**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Fair value loss on Financial assets at fair valued through OCI	–	(7,430)	(3,825)
Remeasurement of defined benefit liability (asset)	–	(336)	(1,391)
Items that may be reclassified subsequently to profit or loss:			
Foreign operations – foreign currency translation differences	(527)	(109,154)	(182,789)
Cash flow from hedging – effective portion of changes in fair value	–	(11,531)	(18,747)
Other Comprehensive income for the year/period, net of tax	**(527)**	**(128,451)**	**(206,752)**
Total Comprehensive income for the year/period	**206,324**	**13,110**	**35,598**
Profit for the year/period attributable to:			
Owners of the Company	205,285	138,557	236,143
Non-controlling interests	1,566	3,004	6,206
	206,851	**141,561**	**242,349**

Notes:

(1) Refer to Note 46 of the FY2020 Financial Statements.

(2) This appears as "Reversal of provision for diminution" in the FY2018 Financial Statements.

Explanation of certain income statement items

Revenue from operations

Revenue from operations includes sale of products, sale of products to holding company and other income from operations. Revenue from sale of products constitutes substantially all of the Issuer's revenue and is generated from sales of the Issuer's products to its customers, while revenue from sale of products to holding company is generated from sales of the Issuer's products to its parent company, UPL Limited. Other income from operations consist of job work/service income, discount received, commission received at the Group level and other operating income, among others.

Direct costs

The Issuer's direct costs consist of cost of goods sold including purchases of raw materials, purchases of goods and tools for resale, purchase returns and similar transactions, volume discounts, changes to inventories and consumption of other supplies, power and fuel, processing charges, rebate, commission and discount, effluent disposal charges, water charges, non-recoverable taxes-variable cost, transport charges and royalty charges. Direct costs are primarily driven by the size of the Issuer's operations, its geographical reach and customer requirements.

Other income

Other income consists of income from rent, profit on sale of investments, miscellaneous receipts, profit on sale of fixed assets and sundry credit balances written back.

Finance income

Other income consists of income from long term investments, interest on loan deposits etc.

Other expenses

Other expenses primarily consist of employee benefits expense, exchange difference, advertisement and sales promotion, legal and professional fees, warehousing costs, general repairs, general insurance charges and rates and taxes.

Depreciation

Refers to the amount recognised in the income statement of the Issuer reflecting the depreciated value of the tangible assets on a straight-line basis over the estimated useful life of the asset.

Amortisation

Refers to the amount recognised in the income statement of the Issuer reflecting the amortised value of the intangible assets on a straight-line basis over the estimated useful life of the asset.

Finance costs

Finance costs primarily comprise interest charges determined on the basis of the effective interest rate and a surplus of foreign exchange rate differences over the positive exchange rate differences on cash assets, loans and borrowings as well as other assets and liabilities.

Share of (loss)/profit from associates

Share of (loss)/profit from associates relate to the Issuer's proportionate share in (losses)/profit recorded by its associate companies.

Share of profit from joint ventures

Share of profit from joint ventures relate to the Issuer's proportionate share in profits recorded by its joint ventures.

Taxation

Income tax represents the sum of tax currently payable and deferred tax under the laws of each jurisdiction in which the Issuer carries out its business.

Comparison of results of operations for FY2019 and FY2020

Revenue from operations

	For the year ended 31 March	
	2019	**2020**
	(U.S. dollars thousands)	
	(audited/ reclassified)	**(audited/ revised)**
Sale of products (Net)	2,559,799	4,441,795
Sale of products to holding company	19,570	28,829
Other income from operations		
Job work/service income	9,436	13,857
Discount received	237	216
Commission received – Group	9,381	1,410
Excess provision in respect of earlier year written back	3,456	345
Export incentives	52	130
Royalty income	891	231
Total revenue from operations	2,602,822	4,486,813

Sale of products

Sale of products increased by U.S.$1,882.00 million, or 73.52 per cent., to U.S.$4,441.80 million for FY2020 from U.S.$2,559.80 million for FY2019, primarily due to growth in sales in Latin America, rest of the world and acquisition of Arysta.

Sale of products to holding company

Sale of products to holding company increased by U.S.$9.26 million, or 47.31 per cent., to U.S.$28.83 million for FY2020 from U.S.$19.57 million for FY2019, primarily due to the increase in demand in the Indian market. As a percentage of revenue, sale of products to holding company decreased to 0.64 per cent. for FY2020, from 0.75 per cent. for FY2019.

Other income from operations

Job work/service income

Job work/service income increased by U.S.$4.42 million, or 46.82 per cent., to U.S.$13.86 million for FY2020 from U.S.$9.44 million for FY2019, primarily due to the increased volume of contract manufacturing at the Issuer's manufacturing plants for its customers' products and services. As a percentage of revenue, job work/service income decreased to 0.31 per cent. for FY2020, from 0.36 per cent. for FY2019.

Discount received

Discount received decreased by U.S.$0.02 million, or 8.33 per cent., to U.S.$0.22 million for FY2020 from U.S.$0.24 million for FY2019, primarily due to the decreased volume of the Issuer's supplies orders and resulting discount received from its third-party suppliers. As a percentage of revenue, discount received remained at a negligible level.

Commission received – Group

Commission received – Group decreased by U.S.$7.97 million, or 84.97 per cent., to U.S.$1.41 million for FY2020 from U.S.$9.38 million for FY2019. As a percentage of revenue, commission received – Group decreased to 0.03 per cent. for FY2020, from 0.36 per cent. for FY2019.

Direct costs

Direct costs increased by U.S.$1,195.70 million, or 69.43 per cent., to U.S.$2,917.88 million for FY2020 from U.S.$1,722.18 million for FY2019, primarily due to the increase in volumes on account of Arysta acquisition. As a percentage of revenue, direct costs decreased to 65.03 per cent. for FY2020, from 66.17 per cent. for FY2019.

Other income

Other income decreased by U.S.$0.46 million, or 27.38 per cent., to U.S.$1.22 million for FY2020 from U.S.$1.68 million for FY2019, primarily due to the decrease in miscellaneous receipts. As a percentage of revenue, other income decreased to 0.03 per cent. for FY2020, from 0.06 per cent. for FY2019.

Other expenses

Other expenses increased by U.S.$316.07 million, or 66.80 per cent., to U.S.$789.24 million for FY2020 from U.S.$473.16 million for FY2019, primarily due to the full recognition of expenses relating to the Arysta acquisition for the one year period, and increase in employee costs. As a percentage of revenue, other expenses decreased to 17.59 per cent. for FY2020, from 18.18 per cent. for FY2019.

Finance costs

Finance costs increased by U.S.$29.77 million, or 20.92 per cent., to U.S.$172.10 million for FY2020 from U.S.$142.33 million for FY2019, primarily due to an increase in interest cost on loans.

As a percentage of revenue, finance costs decreased to 3.84 per cent. for FY2020, from 5.47 per cent. for FY2019.

Taxation

Taxation increased by U.S.$60.59 million, or 485.11 per cent., to U.S.$73.08 million for FY2020 from U.S.$12.49 million for FY2019, primarily due to the increase in tax incidence in higher tax jurisdictions.

Comparison of results of operations for FY2018 and FY2019

Revenue from operations

	For the year ended 31 March	
	2018	**2019**
	(U.S. dollars thousands)	
	(audited/ reclassified)	**(audited/ revised)**
Sale of products	2,093,129	2,559,799
Sale of products to holding company	32,988	19,570
Other income from operations		
Job work/service income	7,231	9,436
Discount received	129	237
Commission received – Group	4,819	9,381
Excess provision in respect of earlier year written back	1,355	3,456
Export incentives	47	52
Royalty income	206	891
Total revenue from operations	2,139,904	2,602,822

Sale of products

Sale of products increased by U.S.$454.44 million, or 21.58 per cent., to U.S.$2,559.80 million for FY2019 from U.S.$2,105.36 million for FY2018, primarily due to the growth in sales in Latin America and the acquisition of Arysta.

Sale of products to holding company

Sale of products to holding company decreased by U.S.$13.42 million, or 40.68 per cent., to U.S.$19.57 million for FY2019 from U.S.$32.99 million for FY2018, primarily due to the decrease in demand in the Indian market. As a percentage of revenue, sale of products to holding company decreased to 0.75 per cent. for FY2019, from 1.54 per cent. for FY2018.

Other income from operations

Job work/service income

Job work/service income increased by U.S.$2.21 million, or 30.57 per cent., to U.S.$9.44 million for FY2019 from U.S.$7.23 million for FY2018, primarily due to the increased volume of contract manufacturing at the Issuer's manufacturing plants for its customers' products and services. As a percentage of revenue, job work/service income increased to 0.36 per cent. for FY2019, from 0.34 per cent. for FY2018.

Discount received

Discount received increased by U.S.$0.11 million, or 83.63 per cent., to U.S.$0.24 million for FY2019 from U.S.$0.13 million for FY2018, primarily due to the increased volume of the Issuer's supplies orders and resulting discount received from its third-party suppliers. As a percentage of revenue, discount received remained at a negligible level.

Commission received – Group

Commission received – Group increased by U.S.$4.56 million, or 94.68 per cent., to U.S.$9.38 million for FY2019 from U.S.$4.82 million for FY2018. As a percentage of revenue, commission received – Group increased to 0.36 per cent. for FY2019, from 0.23 per cent. for FY2018.

Direct costs

Direct costs increased by U.S.$340.15 million, or 24.61 per cent., to U.S.$1722.18 million for FY2019 from U.S.$1382.04 million for FY2018, primarily due to the increase in processing charges and transportation costs. As a percentage of revenue, direct costs increased to 66.17 per cent. for FY2019, from 64.58 per cent. for FY2018.

Other income

Other income increased by U.S.$1.04 million, or 163.52 per cent., to U.S.$1.68 million for FY2019 from U.S.$0.64 million for FY2018, primarily due to increase in miscellaneous receipts. As a percentage of revenue, other income increased to 0.06 per cent. for FY2019, from 0.03 per cent. for FY2018.

Other expenses

Other expenses increased by U.S.$108.93 million, or 29.91 per cent., to U.S.$473.16 million for FY2019 from U.S.$364.23 million for FY2018, primarily due to the increase in employee costs, and advertisement and sales promotion expenses. As a percentage of revenue, other expenses increased to 18.18 per cent. for FY2019, from 17.02 per cent. for FY2018.

Finance costs

Finance costs increased by U.S.$48.50 million, or 51.69 per cent., to U.S.$142.33 million for FY2019 from U.S.$93.83 million for FY2018, primarily due to an increase in loans. As a percentage of revenue, finance costs increased to 5.47 per cent. for FY2019, from 4.38 per cent. for FY2018.

Taxation

Taxation decreased by U.S.$16.52 million, or 56.95 per cent., to U.S.$12.49 million for FY2019 from U.S.$29.01 million for FY2018, primarily due to the reduction in tax incidence in higher tax jurisdictions.

Liquidity

The Issuer's liquidity requirements arise principally from its operating activities, capital expenditures, the repayment of borrowings and debt service obligations.

The Issuer's principal sources of funding include cash from operations, short-and long-term committed and uncommitted loan facilities, overdraft facilities that are repayable on demand, cash and cash equivalents and equity and financing provided by its parent. The Issuer's treasury function reviews the liquidity of its all operations. Cash generated by its operating subsidiaries is utilised to finance growth within the operations of such subsidiary or is transferred to holding companies through the payment of dividends or repayment of intercompany loans. In most cases, the Issuer does not believe there are significant obstacles or barriers to transferring funds from its local operating subsidiaries to the Issuer that may affect its ability to meet or fulfil its financial or other obligations.

The Issuer held cash and cash equivalents of U.S.$416.60 million, U.S.$379.97 million and U.S.$861.05 as of 31 March 2018, 31 March 2019 and 31 March 2020, respectively. Its total cash as a percentage of total debt was 42.29 per cent., 9.52 per cent. and 23.53 per cent. as of 31 March 2018, 31 March 2019 and 31 March 2020, respectively.

Cash flow

The following tables set forth combined cash flow information for FY2018, FY2019 and FY2020.

	For the year ended 31 March		
	2018	**2019**	**2020**
	(U.S. dollar thousands)		
Cash flows from operating activities	356,672	424,077	1,062,241
Cash flows from investing activities	(193,432)	(4,346,938)	(194,231)
Cash flows from financing activities	(164,263)	3,961,902	(226,081)
Net increase in cash and cash equivalents	(1,023)	39,041	641,929
Cash and cash equivalents at the start of the period	423,906	416,600	379,970
Effect of exchange rate difference	(6,284)	(75,671)	(160,852)
Cash and cash equivalents at end of the period	416,600	379,970	861,047

Net cash generated from operating activities

Net cash generated from operating activities was U.S.$1,062.24 million for FY2020, U.S.$424.08 million for FY2019 and U.S.$356.67 million for FY2018. Cash from operating activities was higher in FY2020 compared to FY2019 mainly due to increase in EBITDA and reduction in working capital. Cash from operating activities was higher in 2019 compared to 2018 mainly due to the decrease in working capital resulting from an improvement in the collection of trade receivables and an increase in trade payables.

Net cash used in investing activities

Net cash used in investing activities was U.S.$194.23 million for FY2020 and U.S.$4,346.94 million for FY2019. Cash used in investing activities was lower in FY2020 compared to FY2019 mainly due to the acquisition of Arysta in FY2019.

Net cash used in investing activities was U.S.$4,346.94 million for FY2019 and U.S.$193.43 million for FY2018. Cash used in investing activities was higher in FY2019 compared to FY2018 mainly due to the acquisition of Arysta while no similar significant transaction was conducted during FY2020.

Net cash used in financing activities

Net cash used in/from financing activities was (U.S.$226.08 million) for FY2020, U.S.$3,961.90 million for FY2019 and (U.S.$164.26 million) in FY2018. There was Cash outflow due to financing activities in FY2020 compared to cash inflow in FY2019 mainly due to prepayment of Arysta acquisition finance and repayment of working capital loans. Cash used in financing activities was lower in FY2019 compared to FY2018 mainly due to the fundraising for the acquisition of Arysta.

Cash outflow on account of Capital Expenditure(1)

The Issuer's cash outflow in relation to capital expenditures includes expenditure on tangible and intangible assets. Tangible assets of the Issuer include, among others, new manufacturing plants and expansion of existing plant capacity for new production lines and its intangible assets mainly includes product registration cost incurred from the registration of its products in various jurisdictions. Intangible assets of the Issuer include goodwill, customer lists, product registrations and software. The Issuer plans its capital expenditures at the start of a fiscal year through its wide budgeting process.

Capital expenditure[(1)] for FY2020 was U.S.$99.23 million, compared with U.S.$69.13 million in FY2019, an increase of U.S.$30.10 million. Capital expenditures for FY2020 primarily related to the expansion of the Issuer's manufacturing plans and machinery as well as costs incurred from the registration of its products.

Capital expenditure[(1)] for FY2019 was U.S.$69.13 million, compared with U.S.$97.26 million in FY2018, a decrease of U.S.$28.13 million. Capital expenditures for FY2019 primarily related to the expansion of the Issuer's manufacturing plants and machinery as well as costs incurred from the registration of its products.

The capital expenditures are expected to be incurred to enable the Issuer to expand its global footprint further in line with its expectations regarding the planned expansion of its customers. For instance, such capital expenditures will be used towards the improvement and expansion of the Issuer's manufacturing plants as well as addition of product registrations in different regions for its new products.

Note:

(1) For the purposes of this section, capital expenditure means purchases of property, plant and equipment, including capital work in progress and purchases (net of disposals) of intangible assets including intangible assets under development.

Contractual Obligations and Contingent Liabilities

The following table sets forth the Issuer's remaining contractual maturity for its non-derivative financial liabilities with contractual repayment periods as of 31 March 2020. The table reflects the undiscounted cash flows of financial liabilities based on the earliest date on which the Issuer could be required to pay.

	Payments due by period		
	Less than 1 year	**1 to 5 years**	**Total**
Borrowings	102,790	2,759,416	2,862,206
Bonds	–	794,041	794,041
Other financial liabilities	316,683	5,445	322,128
Trade and other payables	1,163,952	–	1,163,952
Lease obligation	12,893	61,117	74,010
	1,596,318	3,620,019	5,216,337

The Issuer's ability to make scheduled payments of principal of, or to pay the interest on, or to refinance, the Issuer's indebtedness (including the Notes), or to fund planned capital expenditure and working capital, will depend on its future performance and its ability to generate cash in the future, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors that are beyond its control, as well as to other factors discussed under "*Risk Factors*".

The Issuer's contingent liabilities as at 31 March 2020 has been disclosed in Note 42 to the FY2020 Financial Statements.

Working Capital

	For the year ended 31 March		
	2018	2019	2020
	(U.S. dollars thousands)		
Increase/(Decrease) in provisions	1,162	(1,443)	11,390
(Increase)/decrease in inventories, trade receivables, and other non-investing assets			
Change in inventories	(20,260)	(12,405)	190,004
Change in trade receivables	(24,654)	78,847	83,316
Change in advances/other assets	2,490	28,441	80,028
Increase/(decrease) in trade payables and other non-investing liabilities			
Change in trade payables	48,488	84,768	(118,547)
Change in other liabilities	(19,726)	(59,027)	212,895
Change in working capital	(12,500)	119,181	459,086

For FY2018, the Issuer's net change in working capital totalled an increase of U.S.$12.50 million, which was primarily due to increases in inventories and receivables. The increase in current assets was partly offset by an increase in payables.

For FY2019, the Issuer's net change in working capital totalled a decrease of U.S.$119.18 million, which was primarily due to the decrease in receivables and increase in payables. The decrease was partly offset by an increase in inventories.

For FY2020, the Issuer's net change in working capital totalled a decrease of U.S.$459.09 million, which was primarily due to the increase in Other Current Liabilities and decrease in Inventories. The decrease in working capital was partly offset by a decrease in Trade Payables.

The Issuer believes that its current working capital would be sufficient for its current working capital requirements.

Off-Balance Sheet Arrangements

Other than non-recourse receivables facilities, the Issuer does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

As of 31 March 2019 and 31 March 2020, the total amount received from the sale of receivables was U.S.$712.14, million and U.S.$928.20 million, respectively.

Qualitative and Quantitative Disclosures about 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 prices are subject to currency rate risk and interest rate risk. The financial instruments that are affected by these risks include loans, bonds and borrowing, deposits, available-for-sale investments and derivative financial instruments. The Issuer uses derivative financial instruments such as foreign exchange contracts to manage its exposures to such foreign exchange fluctuations.

Currency risk

The Issuer typically receives revenue in the same currency in which it incurs costs in the majority of jurisdictions in which it operates. As such, it has a natural hedge against currency exchange risk. The Issuer also manages its gross or net currency exposures through forward cover on a 12-month or rolling basis, where possible. However, the Issuer faces some currency exchange risk in respect of (i) currency mismatches between its income and expenditures, which it seeks to manage by matching income currency to expenditure currency at the operating entity level, and (ii) currency translation for the purpose of preparing its combined financial statements, on account of its global operations.

Liquidity risk

Liquidity risk is the risk that the Issuer will not be able to meet its financial obligations as they fall due. The Issuer'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 its reputation. The Issuer manages its 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.

Credit risk

The Issuer is subject to the risk that its counterparties under various finance and customer agreements will not meet their obligations. The Issuer's credit risk exposure relates to its operating activities and financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. See "*Risk Factors – Risks Relating to the Issuer's Business and Industry – Customers of the Issuer may be unable to pay their debts due to local economic conditions.*" In relation to credit risk arising from financing activities, the Issuer allocates transactions to counterparties reflecting the credit worthiness of the financial institution. As of 31 March 2019 and 31 March 2020, the total trade receivables of the Issuer outstanding were U.S.$1,560.96 million and U.S.$1,431.12 million, respectively. The Issuer's provision for expected credit loss as of 31 March 2019 was U.S.$153.36 million and U.S.$122.27 million as of 31 March 2020.

Interest rate risk

The Issuer's financial assets and liabilities are either interest bearing or non-interest bearing. It is subject to limited exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates. The Issuer manages its interest rate risk by using floating-to-fixed interest rate swaps by swapping the floating interest rates of some of its bank loans to fixed interest rates. It has entered into interest rate risk swap agreements for some of its bank loans to hedge against interest rate fluctuations. As of 31 March 2019 and 31 March 2020, the notional amount for which the Issuer had entered into interest swap agreements amounted to U.S.$1,900.00 million and U.S.$1,900.00 million, respectively.

Commodity price risk

While the Issuer believes its commodity price risk is low, such risk is the possibility of impact from changes in the prices of inputs. While it seeks to pass on input cost increases to its customers, it may not be able to fully achieve this in all situations or at all times or may be exposed during a time lag. See "*Risk Factors – Risks Relating to the Issuer's Business and Industry – Price fluctuations in the cost of raw materials and fuel, used to manufacture products of the Issuer, or disruptions in the supply of raw materials and fuel, may adversely affect its manufacturing costs.*"

Critical accounting estimates and judgements

Preparation of financial statements in accordance with IFRS requires management of the Issuer to make judgements, estimates and assumptions that affect the reported amounts of its assets and liabilities, disclosures of contingent liabilities and the reported amounts of revenues and expenses. These judgements, assumptions and estimates are reflected in the accounting policies of the Issuer, which are more fully described in the notes to the audited combined financial statements for the years ended 31 March 2018, 31 March 2019 and 31 March 2020, which have been included elsewhere in this Offering Circular.

Certain of the Issuer's accounting policies are particularly important to the presentation of its combined financial position and combined results of operations and require the application of significant assumptions and estimates of its management. The Issuer refers to these accounting policies as its "critical accounting policies." The Issuer's management uses its historical experience and analyses the terms of existing contracts, historical cost conventions, global industry practises and information provided by outside sources, as appropriate, when forming its assumptions and estimates. Although the estimates are based upon management's best knowledge of current events and actions, actual results may materially differ from estimates.

While the Issuer believes that all aspects of its consolidated financial statements for the fiscal years ended 31 March 2018, 31 March 2019 and 31 March 2020 should be studied and understood in assessing its current and expected combined financial condition and combined results of operations, the following critical accounting policies warrant particular attention.

Basis of Preparation

The Issuer's consolidated financial statements as of for the fiscal years ended 31 March 2018, 2019 and 2020, have been prepared in accordance with IFRS.

Determination of functional currency

The determination of functional currency of the Issuer is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. Its directors have considered factors described in Note 3(h) of its consolidated financial statements as of and for the year ended 31 March 2020 which have been included elsewhere in this Offering Circular, and have determined that the functional currency of the Group is the U.S. dollar.

Impairment of financial assets

IFRS 9 effectively incorporates an impairment review for financial assets that are measured at fair value, as any fall in fair value is taken to profit or loss or other comprehensive income for the year, depending upon the classification of the financial asset.

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.

Translation reserve

The Issuer has granted a quasi-equity long term foreign currency loan for some investment activities by its subsidiaries. As settlement date of the loan was not determined as of the reporting date, exchange differences arising on translation of the loan has been recognised in other comprehensive income and under translation reserve in equity. The translation reserve amounting to U.S.$383.82 million as of 31 March 2020 as compared to U.S.$213.27 million as of 31 March 2019 appearing under equity includes those translation differences on the conversion of the quasi-equity loan to U.S. dollar.

Share of results of associates

The associate's financial statements cover a 12 months period up to 31 December and also to 31 March and that of the group ends on 31 March. As the result of the amount for the 3 months to 31 March is not significant.

INDUSTRY AND MARKET DATA

Unless stated otherwise, the statements relating to markets and competition provided below are based on the Issuer's belief and estimates and IHS Markit's various reports on agrochemical industries, both of which were, in turn, derived from various sources it believes to be reliable, including industry publications and from surveys conducted by third-party sources. Additional factors, which should be considered in assessing the usefulness of the market and competitive data and, in particular, the projected growth rates, are described elsewhere in this Offering Circular, including those set out in the section entitled "Risk Factors".

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Global Agribusiness Overview

The inputs required by a farmer to cultivate crops include fertilizer, fuel, seed and crop protection products. Of these, crop protection products and seeds are the R&D driven sectors of the agribusiness market. Crop protection products include herbicides, insecticides and fungicides for the control of weeds, insects and plant diseases, and also plant growth regulators and fumigants (which are mostly soil sterilants). Farmers need these to control damage to their crops and protect yields. The key factors that affect the crop protection market are crop prices and farmer wealth. Furthermore, other factors that affect the crop protection market are limited arable land, an increasing population, changes in dietary habits in developing countries and limited labour.

Non-crop agrochemical products comprise many of the same chemicals used for crop protection products but used instead in different markets, including home and garden, turf and ornamentals, pasture, public health, stored grains, post-harvest protection of produce and termite control in buildings. These products cater for specialised markets that use different distribution systems and with a much greater price mark up from the manufacturer to the end user. However, the costs needed to achieve such sales are also high. The key drivers in the non-crop markets are the performance of the general economy and the wealth of the end user affecting such end user's purchasing capability and decisions.

The seed market is divided between varieties that include GM traits and conventional seeds. GM seeds have only been accepted in certain countries and only for certain crops, predominantly maize, soybean, cotton and canola in the larger markets in the Americas, and cotton in India and China. Australia and South Africa also cultivate certain GM crops.

Set out below is a table prepared by IHS Markit setting forth aggregated revenues in each of the crop protection, non-crop agrochemicals and GM seed sectors of the global agrochemical industry for the years indicated. The data presented below only reflects the traded seed market. In developing markets, there is still a significant level of re-planting by farmers of some of the previous year's crops (for example, farmer saved seeds), or the planting of seeds supplied by governments. As neither of these have any commercial value, they have not been included in the table below.

Year	Crop Protection	Non-Crop Agrochemicals	GM Seed
	(U.S.$m)	(U.S.$m)	(U.S.$m)
2013	54,075	6,481	20,100
2014	58,746	6,515	21,054
2015	56,160	6,882	19,789
2016	52,882	7,106	20,039
2017	54,319	7,311	22,206
2018	57,561	7,538	21,970
2019P (preliminary estimates)	57,790	7,800	NA
2019/2018%	+0.4%	+3.5%	NA

Agrochemicals = U.S.$65,590 million;
2019/2018: 0.8%

Crop Protection Market

The underlying trend in the crop protection market since 2004 has been improvement, underpinned by rising crop commodity prices and farm incomes, particularly in the advanced developing markets of Brazil, Russia, India and China (the "**BRIC countries**") and also in Eastern and Central Europe.

The key influences on the growth of the crop protection market are crop prices and farmer wealth. Significant growth in the industry is also driven by developing markets, where there is an opportunity for an increase in the intensity of agrochemical usage, such as increased sprays of crop protection products being applied per hectare or volume growth.

The non-crop market features the use of agrochemicals in non-crop situations, such as home and garden, turf and ornamentals, industrial uses of herbicides, and also public health, termiticides (particularly in new construction), materials preservation and post-harvest protection of crops. This market is driven by the performance of the general economy, with economic weakness in major markets since 2009 resulting in reduced growth for this sector. Weak economic conditions result in reduced spending by individuals and companies on non-essential non-crop agrochemicals. If it had not been for currency factors and growth in the BRIC countries, the non-crop agrochemical market would have declined from 2011 through to 2014.

The global market for conventional crop protection products (excluding sales of herbicides-tolerant and insect-resistant seed, as well as non-crop agrochemicals) is estimated to have increased by 6.0% in 2018 to $57,561 million and preliminary estimates indicate a marginal growth of 0.4% to $57,790 in 2019 (Source: IHS Markit). When the impact of trade-weighted inflation and currency factors are taken into account, the overall market in real terms was static in comparison to the previous year.

Please note that for southern hemisphere countries, the data included is for the 2017/18 agricultural year. Please also be aware that market sizes relate to the value of products used on the ground but converted at ex manufacturer prices.

Key Factors Affecting Global Crop Protection Market Performance in 2019:

- Hike in prices in 2018 due to the Chinese manufacturing situation having largely levelled off, resulting in only modest price growth

- Continued growth in Latin America, particularly so in Brazil, with a rebound also experienced in Argentina following drought in recent years

- Strength of US$ impacting dollar term growth – local currency terms performance more positive

- Excessive flooding impacted market in North America during the first half of the year

- Hot, dry weather experienced in Northern and Eastern Europe reduced pest/disease pressure and hence demand

- Market in Asia Pacific impacted by severe drought in Australia and key Southeast Asian nations

- US-China trade war shifting global trade patterns

Key Regional Factors Affecting Crop Protection Market Performance in 2019 based on preliminary reports:

NAFTA

- The North American market has been negatively impacted by detrimental weather in the US Midwest during the first quarter with severe cold temperatures and snowstorms followed by significant flooding delaying pre-season crop protection applications and spring planting.

- In addition, the unfavourable weather has reduced crop potential and hence limited expectations for farmer income which has already been impacted by the trade wars with China.

- The country is the most significant destination for US soybeans and so the reduction of demand, bolstered by strong production in 2018, has led to inflated stocks and suppressed prices.

- Reduced US soybean acreage (-13.9%) in 2019, with reduced yield prospects in key growing regions of the Midwest, is estimated to have had a significant effect on the market.

Latin America

- Expected to show significant growth driven by strong sales being recorded, particularly Brazil.

- Argentina is also estimated to have experienced strong growth following severe drought which capped market growth in recent years. Growth was, however, limited by continued hyper-inflation, impacting performance in dollar terms.

Europe

- Sales are expected to be affected by unfavourable weather, with hot, dry conditions in Northern and Eastern Europe impacting pest and disease pressure.

- Much of the growth in recent years has been driven by growth in the Former Soviet Union, however, liquidity remains an issue in Ukraine, limiting market potential.

- The region has also faced regulatory issues with key products being banned or phased out in recent years.

- In addition, political uncertainty amid Brexit has impacted the market in the UK, bolstered by weakness in the Pound versus the US$.

Asia

- Estimated to have grown in local currency terms, however, unfavourable currency effects have impacted $ term performance.

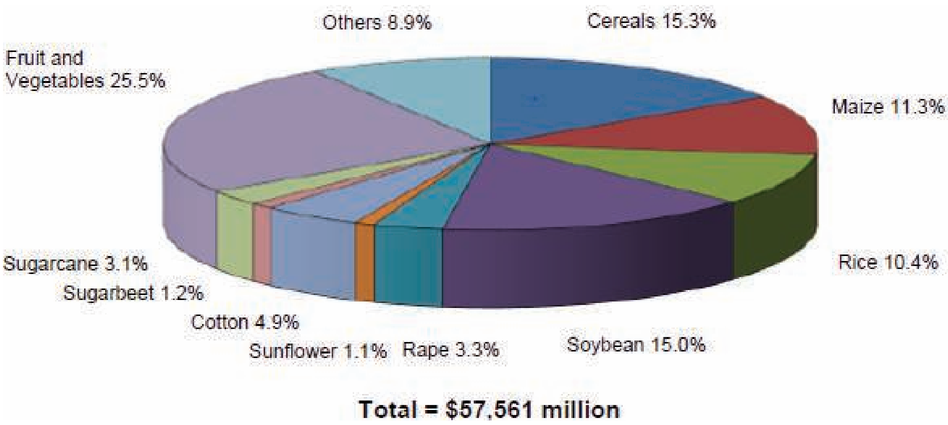
- Unfavourable weather has also impacted key country markets, with drought followed by flooding impeding potential in India, and continued severe drought in Australia and dry conditions in Southeast Asian nations reducing market expectations.

- On a more positive note, the Japanese Crop Protection Association has estimated that agrochemical sales in the country increased slightly during the year, boosted by increased demand for herbicides.

- In China, acreages of soybean and oilseed rape increased, with the government looking to expand agriculture and reduce the country's reliance on imports in line with the trade tensions.

Crop Type

Set out below is a chart prepared by IHS Markit setting forth a breakdown of the conventional agrochemical market by crop type for the global agrochemical industry for 2018 (2017/18 agricultural year).



The leading crop sectors of the global market are the GM seed sectors for maize and soybean, followed by cereal, maize and soybean herbicides. The largest market overall was the conglomerate fruit & vegetables sector, followed by cereals, soybean, maize and rice.

Most of the major crop sectors in the crop protection market show a similar trend in development to that of the demand for the relevant crop in the world market, with increased sales of agrochemicals on maize, soybean, cotton and canola/oilseed rape positively correlated to the increased demand for the GM varieties of these crops.

Real growth is where the impacts of currency exchange and inflation have been deducted from the value growth of the industry in dollar terms. In effect, this reflects volume growth of the industry. The forecast has taken place on the same basis, with no account of currency or inflation fluctuation.

It is estimated that in 2018, the market for agrochemical products in all major crop sectors increased. The greatest increases have been achieved by sugarcane (+11.4%), soybean (+9.6%) and cotton (+9.6%) with the market rebound in Brazil being a major driving factor.

With regards to the other key row crops, the rice, maize and cereals agrochemical markets are estimated to have experienced growth of 7.8%, 6.3% and 0.3% respectively, despite lower planted areas of the former two. The agrochemical pricing has been a major driving factor for these crops.

The conglomerate Fruit and Vegetables segment has historically been the most significant global crop sector and following an estimated 5.3% increase to reach approximately $14,663 million in 2018, it remains the leading category. Of this segment, vine and potato are the leading crops ($2,013 million and $1,956 million respectively) followed by pome fruit (approximately $1,515 million). For these crops, fungicide sales are of greatest significance and sales of the respective products benefitted from prices arising from increased planting of hybrid varieties, introduction of new fungicide products and higher import prices from Chinese suppliers as well as favourable weather in Asia following the El Niño event and respite from drought in California.

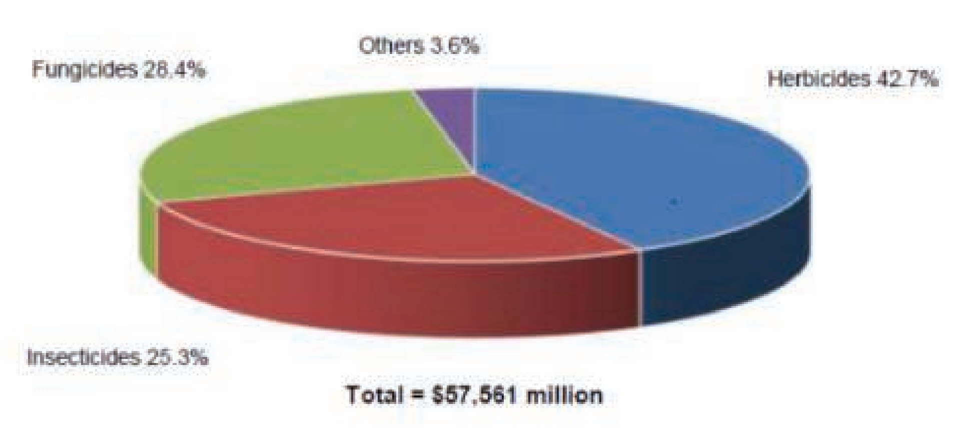
For the 2018/19 agricultural year, crop acreage and production trends show a mixed bag with declines for maize, rice, soybean and oilseed rape offsetting expanded areas of wheat and cotton. With regards to soybean, the decline is largely attributed to the trade war between the USA/Canada and China. Growers in the US have cut acreages, shifting to more profitable crops owing to import tariffs imposed by China on US soybeans. Imports from Latin America are gaining in importance and so growers are boosting acreages in Brazil and Argentina. A similar situation has happened with import tariffs being added to Canadian canola, resulting in rapeseed areas in the country declining in 2019, as farmers shift to more profitable crops. Global output for the major crops (wheat, maize, cotton, oilseed rape) is more positive with only soybean and rice experiencing reduced expectations for yields. Unfavourable weather in the USA has impacted soybean production on the already depleted areas, impacting global output. Global rice production has been impacted by reduced yields in key Asian country markets, notably China, as well as the USA.

Agrochemical sales for soybeans increased by 9.6% in 2018. Soybean protection products market share was 15.0% – the second-largest single crop sector behind cereals. The increase in 2018 was primarily attributed to increases in soybean insecticides globally, with the most significant improvements seen in the USA and Brazil. Over the last five years, agrochemical sales increased at a CAGR of 2.0%. By 2023, the global soybean agrochemical market is expected to have grown at a CAGR of 4.1%. A significant factor influencing the global soybean market from 2019 onwards is the current trade war between the USA and China. In response to tariffs imposed on imports from the USA, Brazil has become one of the largest exporters to China, and acreages are estimated to have increased during 2019. Some of this difference is also being made up by increased Chinese production. Aside from the trade situation, the anticipation of strong levels of pest pressure, likelihood of future outbreaks of Asian soybean rust, growing resistance issues, an improving economic climate in key country markets and strong agrochemical prices are expected to boost the soybean agrochemical market in the greater Latin America region. Since the introduction of GM soybean in the late-90s, the adoption of new biotechnologies has had a significant impact on the soybean agrochemical market – this trend can be expected to continue in the future, as new GM crops are being launched to manage the ongoing resistance issues.

The agrochemical market for rice increased by 7.8% in 2018. Rice protection products market share was 10.4% – the fifth largest crop sector for agrochemicals. The sector grew despite global acreages being relatively flat, with agrochemical sales benefitting from higher commodity prices due to growing consumption as well as improved product prices. Over the last five years, sales have increased at an average annual rate of 2.7% p.a. Sales in Asia Pacific are estimated to have increased by 7.0%, largely attributed to increasing demand in India. For the 2019 season, global acreage and production are forecast to be down marginally. Benefitting from higher commodity prices for the crop, as well as continued high prices for generic pesticides, the agrochemical market is expected to show growth during the year. Looking further ahead, the outlook for the agrochemical market remains positive, with the global crop protection sales in 2023 expected to increase by 2.4% p.a., driven by adoption by advanced agricultural practices and strong government support of the agricultural sector in a number of Asian countries, where rice is primarily grown. Much of the growth is anticipated to be derived from China and India. Growing instances of fall armyworm infestation in Asia will significantly boost the demand for insecticide products across the region.

Chemicals Sector

Set out below is a graph prepared by IHS Markit setting forth the breakdown of revenues in each of herbicides, insecticides, fungicides and others of the global agrochemical industry for 2018.



Set out below is a table of real and forecast growth of the global crop protection market by sector.

	Herbicides	Insecticides	Fungicides	Others	Total CCP	GM Seed
2018/2017 (%)..................	+5.9	+7.6	+4.7	+5.4	+6.0	-1.1
2018/2013 (% p.a.)...........	+0.9	+0.2	+2.5	+4.3	+1.3	+1.8
2023F/2018 (% p.a.).........	+3.1	+3.1	+2.7	+2.6	+3.0	NA

Note: does not include non crop applications (CCP: conventional crop protection; NA not available)

The crop protection market went through a period of significant growth in 2011, 2012 and 2013. Real growth is where the impacts of currency exchange and inflation have been deducted from the value growth of the industry in dollar terms. In effect, this reflects volume growth of the industry. The forecast has taken place on the same basis, with no account of currency or inflation fluctuation.

The agrochemical industry enjoyed a period of steady growth from 2006 through to 2011. While the industry has declined in the recent past as demonstrated in the table above, the forecasted growth through to 2021 reflects a rebound.

Volume growth is driven by developing markets, mostly led by rice, wheat, fruit & vegetables. A key factor in developing markets is the rising demand for food, dietary change and for improved quality, these factors driving demand for fungicides. In both the herbicide and insecticide sectors there is a negative impact from the adoption of GM technology, which has also led to the dominance of glyphosate in the herbicide market. Oversupply of this product has had and is expected to continue to have, a negative impact on the value of the herbicide market.

IHS Markit's preliminary analysis of country market and company performances in 2019 estimates that the global market for agrochemicals, used in both crop and non-crop situations, has been essentially flat, rising by a marginal 0.4% to $65,590 million at the ex-manufacturer level. Based on this analysis, the global crop protection market is estimated to have increased by 0.4% to a total value of $57,790 million during 2019. The main factor which has led to this growth is continued recovery in the Brazilian market, the largest in the world, after the significant decline experienced between 2014 and 2017, mitigated by weaker market conditions elsewhere with unfavourable weather taking its toll in North America, Europe, Southeast Asia and Australia. In addition, growth in US$ terms has been impacted by negative currency effects, with the strength of the dollar offsetting growth. One further impact cancelling out growth in Latin America has been a levelling out of global pricing following the spike in generic product pricing coming out of China, which drove market growth in 2018.

In 2018 the value of the herbicide sector increased by 5.9% to reach an estimated $24,608 million, equating to 42.7% of the crop protection market. The performance of the herbicide segment during the year was boosted by improved glyphosate prices, reduced channel inventories and improved market conditions in Latin America following year-on-year declines in the region. Adverse weather conditions in Europe did, however, slightly offset growth.

In 2018 fungicide sales increased by 4.7% to $16,319 million, representing a 28.4% share of the global crop protection market. Similar market drivers to herbicides contributed to growth in the sector, however, this growth was somewhat offset by dry conditions in Europe leading to reduced disease pressure. In addition, the significant Brazilian soybean fungicide market has been impacted by reduced Asian soybean rust pressure in the country, partly attributed to several Brazilian states having implemented a strategy of not planting soybeans in the Safrinha season in an effort to reduce losses to the disease.

The insecticide market is estimated to have experienced the greatest growth over the previous year, with sales increasing by 7.6% to reach $14,549 million in 2018, representing a 25.3% share of the crop protection market. Despite the strong growth during the year, the market is less positive over the last five-year period, rising by a marginal 0.2% per annum since 2013.

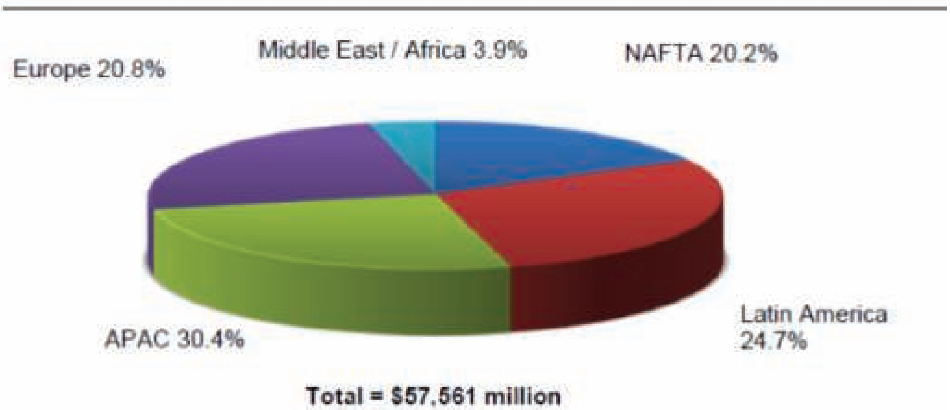
Sales during 2018 were boosted by improved prices and reduced channel inventories. The market also benefitted from increased demand in India, particularly for use on cotton where infestations of pink bollworm (*Pectinophora gossypiella*) were experienced.

In addition, sales of agrochemicals used in non-crop situations are estimated to have increased by 3.1% to $7,538 million.

Regions

Set out below is a graph prepared by IHS Markit setting forth the breakdown of revenues in each of Latin America, Asia, Europe, the North American Free Trade Area ("**NAFTA**") and others for the global agrochemical industry for 2018.

Conventional Crop Protection Market by Region 2018



In Asia Pacific, the leading regional market for agrochemicals, sales are estimated to have increased by 7.2% in the year to reach $17,489 million. Drivers of this growth include favourable monsoon conditions in key growing areas of India and Southeast Asia. In India, infestations of pink bollworm boosted the cotton insecticide market. Improved prices from product manufacturers in China through new government legislation also boosted sales. Indonesia has benefitted in recent years from an import ban on rice and corn causing domestic crop prices to increase. Growth was somewhat offset by drought in Australia which impacted demand in the country.

The Latin American market is estimated to have increased by 11.1% to reach $14,181 million in 2018. The growth is largely attributed to rebound in the Brazilian market, reduced inventory stocks and improved product prices of products from China. Insecticide sales in recent years have, however, been impacted by increased adoption of Intacta RR soybeans and hyper-inflation in Argentina.

European crop protection sales decreased by 3.0% in 2018 to an estimated $12,001 million. The region was impacted by hot, dry weather in key central and western markets, reducing pest pressure. The decline was, however, somewhat offset by strength in Eastern markets, notably Russia, where the agricultural economy continues to boom in response to sanctions imposed from the EU.

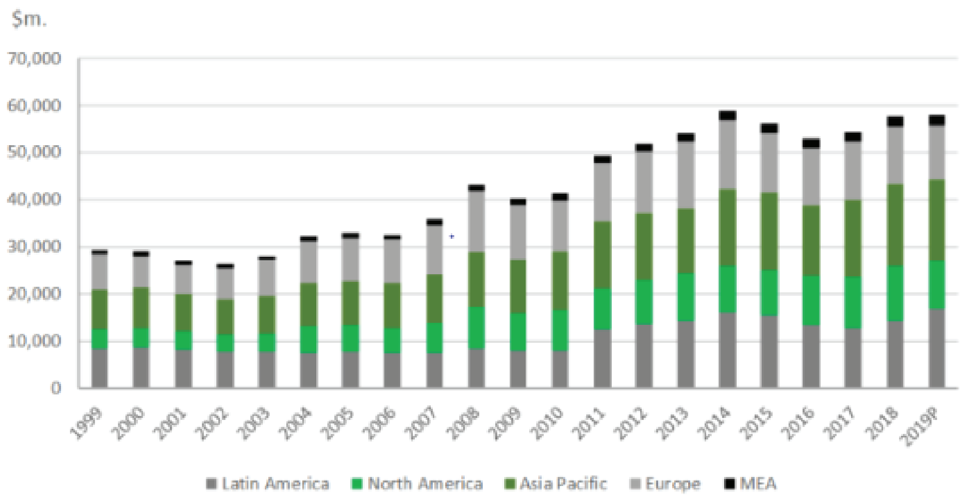
In North America the market is estimated to have increased by 8.0% to reach $11,623 million. The market benefitted from improved generic product prices, increasing adoption of GM technologies driving demand for more expensive agrochemicals, reduced distribution inventories and strong cereal acreages in both the USA and Canada. Also contributing to growth has been strong demand for ethanol fuel with production being sustained at record levels.

The Middle East and African market is of minor significance compared to the other regions with sales in 2018 at an estimated $2,267 million; this does, however, reflect a rise of 7.4% over the previous year. The region has benefitted from improved political stability in north and west Africa as well as favourable rainfall in key Middle Eastern markets.

Long-term factors which have affected the crop protection market in recent years include the uptake of GM technologies, the increased development of herbicide resistant weeds, the economic performance of developing markets, as well as new product introductions and regulations.

Over the last five years the greatest growth in dollar terms has been recorded in Asia Pacific (+4.7% p.a.), followed by MEA and North America (both +3.0% p.a.); in contrast Latin America has been essentially flat while Europe is estimated to have declined over the period (-3.1% p.a.).

The Global Agrochemical Market Growth ($m) – 1999 to 2019*



* 2019 market values are preliminary estimates – pending Q4 2019 evaluation

Source: IHS Markit

As can be seen in the chart above, the global agrochemical market has been in a general trend of growth since 1999, rising at an average rate of 3.6% per annum from approximately $29.2 billion to nearly $57.8 billion in 2019. At the regional level, all markets are estimated to have shown strong nominal growth; however, the greatest rise has been achieved by North America (+4.9% p.a.), followed by the Middle East & Africa (+4.3% p.a.), Asia Pacific (+3.6% p.a.), Latin America (+3.5% p.a.) and Europe (+2.1% p.a.).

Due to such growth, Asia Pacific (29.8%) has become the most significant region on a value basis with Latin America (28.9%) being relegated to second. In 1999, Europe equated to a quarter of industry sales, however, this has since dropped to a market share of 19.5%. The greatest growth in market share has been for North America, rising from 13.7% in 1999 to 18.0% in 2019.

In all regions, inflation will clearly have driven much of this nominal growth, however, other key factors impacting the performance of the industry are discussed below.

Asia Pacific:

- China has become the factory of the world for crop protection supply. Supplies over 50% of the volume for many older products

- Adoption of government plans aimed at reducing number of domestic manufacturers and forcing companies to invest in expensive equipment to reduce environmental impact. In addition, more companies, particularly in China, are going public and have the need to improve profit. These factors have boosted generic prices

- Climate change is resulting in more unpredictable and extreme weather. Notably, long-term drought is being experienced in Australia while monsoon in India and SE Asia is becoming more sporadic

- Maturity of the Japanese market limiting growth potential. Country has been impacted by declining rice areas and an ageing farmer demographic as young people move to the cities for work

- Increased social and economic growth in key developing markets, notably China, has driven a significant increase in the demand for meat production. This, in turn, has boosted the requirement for animal feed which has been sourced through expanded acreages and more reliance on international trade partners

- Increasing demand for high-quality fruit and vegetable crops has driven expansion of insecticide and fungicide usage; changing consumer trends has led to increasing demand for viticulture, a particular driver for copper and EBDC fungicides and rising labour costs in India leading to growth in herbicide usage as well as a rise in low/no-till practices

- Increasing weed resistance in Australia, currently standing at 93 identified species and in China, currently standing at 45 species

- There is still an absence of any significant domestic GM cultivation in China, despite significant research efforts in academia, as well as other major markets such as the US, Brazil and Argentina choosing to technify their production with novel trait systems.

Americas:

- Brazil has overtaken the US to become the leading crop protection market globally

- Introduction of the major digital agriculture systems such as variable rate prescriptions

- High adoption levels of GM technologies, particularly those conferring herbicide tolerance, driving demand for active ingredients such as glyphosate and glufosinate. Intacta soybeans have also gained a foothold, particularly in Latin America, impacting the demand for conventional insecticides. Strong uptake of seed treatment products has also been experienced to protect more expensive GM seeds

- Rates of deforestation in the Amazon have increased in the last 20 years as farmers clear space to expand acreages

Increased consumption of crops, notably maize and soybean, has largely been driven by greater demand for animal feed

The increased adoption of ethanol fuel has boosted demand for sugarcane production

The Brazilian soybean market has expanded significantly since 2004/5 when Asian soybean rust infected the crop for the first time. Pressure is, however, reported to be declining in the country, partly as a result of a ban on second (Safrinha) season cultivation, limiting the sector going forward

Increasing weed resistance in the USA currently standing at 165 species – by far the most significant by volume globally. This has led to significantly increased demand for selective herbicides as well as the development of alternative herbicide tolerance traits.

Increasing weed resistance in Brazil currently standing at 50 species

Significant rise in fruit and vegetable consumption patterns in the US and the benefits of tariff-free trade under NAFTA have significantly increased imports from both Canada and Mexico, stimulating the F&V markets in those countries

A significant rise in meat exports to Mexico and exports of animal feed for domestic meat production have also stimulated the US maize and soybean industries

Pressure on glyphosate – move to less scientific evaluation of products and hazard rather than risk-based evaluation. Legal pressure on the world's largest agrochemical.

EMEA:

Increased number of mature markets, notably in western Europe where there is a limited area available for acreage expansion

Increasingly restrictive regulatory situation in the EU leading to the loss of over half the number of active ingredients available in the 1990s. This, in turn, has driven increased use of biopesticides and adoption of integrated pest management (IPM) systems. Pressure on glyphosate

Increasing consumer 'awareness' of environmental impacts of food production, creating influence at the political level regarding reduction of pesticide usage

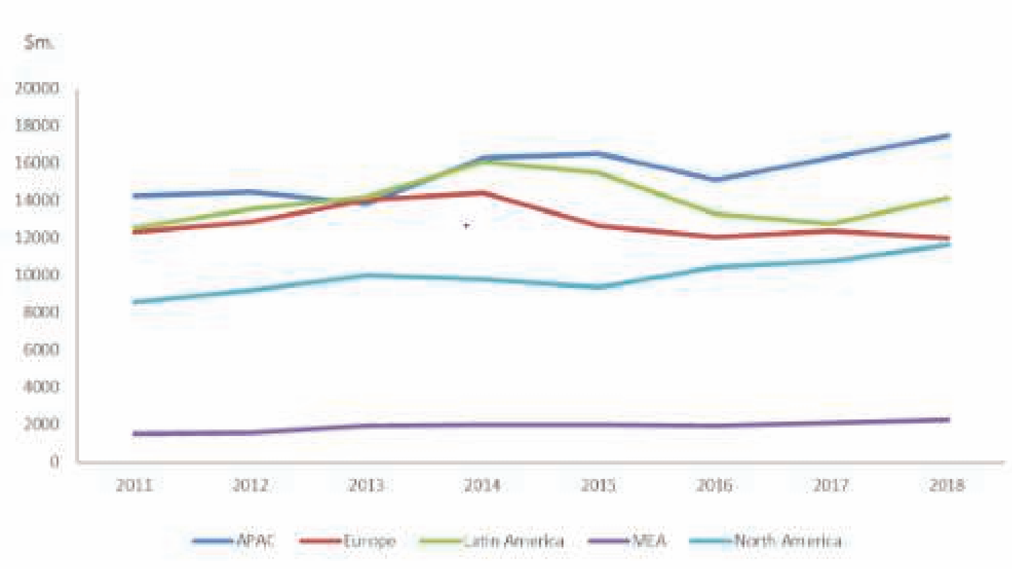
Move to less scientific evaluation of products and hazard rather than risk-based evaluation. This is a significant factor in the loss of registration for many active ingredients

The end to the sugar quota system in Europe in September 2017 following 50 years in effect. This included the abolition of import tariffs and quotas on raw cane sugar. Partly as a result of this, acreage declined in 2018 by 1.9%

Improved political stability benefited markets in Africa, however, infrastructure problems and water availability continue to impede market growth

A number of wars in the Middle East have caused significant damage to agricultural land and production.

Regional Market Performance: 2011-2018



Source: IHS Markit

Regional Market Performance:

Global Crop Protection Industry Forecast

According to IHS Markit, the following major factors will affect growth and sustainability of the agrochemical crop protection market until 2020:

(a) Crop prices and farmer wealth.

(b) Technology

The number of new agrochemical products generated from R&D in the agrochemical industry has been declining. There will thus be fewer patented products in the future that will be available once their patents expire, leading to greater competition in the non-patented agrochemical market. Agrochemical companies will also need to sustain their existing registrations, which are often based on older chemical formulations and which invite greater scrutiny from regulators.

(c) Resistance

Weeds, diseases and insects can all evolve to become resistant to herbicides, fungicides and insecticides. While the development of such resistance limits the effectiveness of existing agrochemical products, such resistance also creates an opportunity for new products to either replace such existing products or be used in combination with such existing products.

(d) Product portfolio maintenance

Certain jurisdictions require the periodic re-registration of agrochemical products, especially older agrochemical products. In those jurisdictions, the inability to re-register an agrochemical product leads to the inability to sell such product in such jurisdiction. An agrochemical product portfolio may also be enhanced by developing new products that replace or act in combination with existing agrochemical products encountering weed, disease or insect resistance. The development of alternative technologies, such as biological, gene silencing, and precision farming, will also have an impact on agrochemical products.

(e) Distribution/market access

The major agrochemical companies engaged in R&D are able to gain better access to the larger agrochemical distributors. Smaller distributors of agrochemical products are more susceptible to changes in economic conditions. A distributor that also holds the registration for the distributed agrochemical product has greater control over the price of such agrochemical product.

2020 Outlook

Southern hemisphere plantings for the season began slower than usual; however, farmers have offset the soybean planting delay, and the planting status is now on a par with the five-year average, which augers well for the crop protection market in early 2020. The suspension was a result of hesitation resulting from poor weather conditions in the region, while the highly anticipated rebound is partly a reaction to the ongoing trade war between the US and China, which continues to stimulate Southern Hemisphere acreage. As of November 2019, the completion of a US-China trade deal is unlikely to be reached this year, while Beijing prepares for more extensive tariff rollbacks and the US counters with heightened demands of its own. China has been diversifying where agricultural products are imported from, affecting global trade and causing significant improvements for South American markets, particularly Brazilian maize for bioethanol production.

Current reports have highlighted an 80% probability of an El Niño in late 2020, expected to push global average annual temperature rise to a new record in 2021. Resulting conditions from El Niños generally include dryness in Asia Pacific by altering monsoon rains, as well as in north eastern parts of Latin America. Such conditions will drive further market declines in Australia should drought persist, with growth in the Brazilian market in response to increased export demand likely to be somewhat offset by reduced yield prospects. In contrast, El Niño fronts tend to bring abundant rainfall to Argentina and the western seaboard of Latin America; this will likely boost prospects for the economy in Argentina, improving farmer income and hence demand for agrochemicals. Similarly, in North America, such weather systems tend to bring warm winter conditions in the upper states and Canada, as well as heavy rainfall in the south, both factors likely to boost demand for pesticides.

In Europe, a notable factor likely to impact the market is the ongoing issue of Brexit. In October 2019, a withdrawal agreement (the "Withdrawal Agreement") setting out the terms of the United Kingdom's exit from the European Union, and a political declaration on the framework for the future relationship between the United Kingdom and European Union was agreed between the UK and EU governments. The Withdrawal Agreement, includes the terms of a transition or "standstill" period until 31 December 2020, during which time the United Kingdom and European Union will continue to negotiate the terms of a trading arrangement which will apply following the standstill period when the United Kingdom will have formally withdrawn from the European Union but will still be treated for most purposes as an EU member state. The withdrawal of the United Kingdom from the European Union and uncertainty with regards to its future trading arrangements with the EU continues to create significant political, social, and macroeconomic uncertainty.

Aside from Brexit, another major influence on the region is the increasing regulatory pressure being put on conventional crop protection active ingredients. A number of country markets within the EU have proposed the ban of glyphosate, notably France where the local Ministry of Agriculture confirmed intentions to phase out the use of such products in the country within a three-year period and in Austria where the lower house of the Parliament voted to ban glyphosate commencing on 1 January 2020. Such actions are clearly likely to drive increased adoption of alternative, often more expensive, technologies with biopesticides also likely to gain in market share going forward. At the product level, the level of industry innovation looks like it could be slightly higher than in 2019 with 11 new AIs ear-marked for possible introduction in 2020. In addition, the increased adoption of traits conferring tolerance to herbicides other than glyphosate will boost demand for higher value molecules.

Key Factors Affecting the Crop Protection Market in the next 20 Years

Four factors have had a major influence on the evolution of the market over the last 20 years: the spread of new pests or diseases such as Asian Soybean Rust, resistance to products, regulatory decisions and the introduction of new, improved product classes such as the diamides. These will continue to be significant drivers in the future. Other factors to consider are:

- The US-China trade war – Will tensions between the two nations be resolved in the near future, or will the conflict lead to a permanent shift in the pattern of global agriculture? At the time of writing there are hopeful signs that the dispute will be resolved

- Digital Agriculture – Will increased adoption of such systems and technologies lead to lower application rates and hence, global volumes?

- Rate of innovation – The number of new products being launched has been in a trend of decline in recent years with increasing regulatory pressure and cost of bringing a new active to market hindering research and development

- Loss of older products – this is particularly so regarding the fate of glyphosate, with an increasing number of countries proposing a ban on the molecule. The neonicotinoids have also come under pressure in the EU

- Continued growth of generics – as the rate of innovation slows down, the share of the market attributed to off-patent products has the potential to rise in the near to mid-term. However, the increase in pest resistance, loss of older chemistries, trends towards lower use rate actives with improved environmental/tox properties and novel modes of action is likely to lead to modest gains in proprietary market share in the longer term

- Continued penetration of biologicals – the biopesticide segment is likely to continue growing strongly, outpacing average industry gains. However, this is still from a relatively small base. Overall market share of biologicals unlikely to exceed 15%. More likely to be complementary with CCP in integrated pest management strategies including precision application

The value of the biologicals sector has increased significantly since 2000, rising from approximately $540 million in 2000 to an estimated $2,573 million in 2018, an average growth of +9.1% per annum. This has been driven by a number of factors, including:

- The increasing cost of development for conventional crop protection

- Ever more stringent regulatory requirements for conventional chemistries

- The data exclusivity of registration dossiers making it more prohibitive for smaller generics companies to enter the market, particularly in the EU

- Significant upsurge in bio-research in the industry, especially in academia. Notable increase in biopesticide filings in China, likely the result of government funding and direction driven by a desire to improve domestic food security

- Improving efficacy, handling and storage characteristics

- Modest increase in grower acceptance

- Changing consumer demand – increased desire for organic production, reduced pesticide usage

- Precision agriculture technology/agronomy driving precision/low use rate applications

- Resistance issues with older chemistries and loss of registrations

- Increasing demand for high-quality fruit and vegetables – a key niche market for biopesticides

- Biopesticides increasingly being seen as complementary to CCP in mixture products

The biologicals industry is, however, a significantly fragmented market when compared to conventional crop protection driven companies. Almost all companies have at least some interest in biopesticides, from small independents up to the large multi-nationals. There does exist the possibility for consolidation of biopesticide companies; however, following any potential rounds of mergers, the industry is still likely to remain fragmented to a greater extent when compared to the conventional market.

Set out below is a table prepared by IHS Markit indicating historic and forecast agrochemical crop protection sales in the mentioned leading 20 countries for the years indicated. IHS Markit's in-house forecast growth rates looking ahead to 2023 below are in real terms, while the historic growth rates are in nominal terms and thus are not directly comparable.

Crop Protection Market Performance 2013-2018-2023F

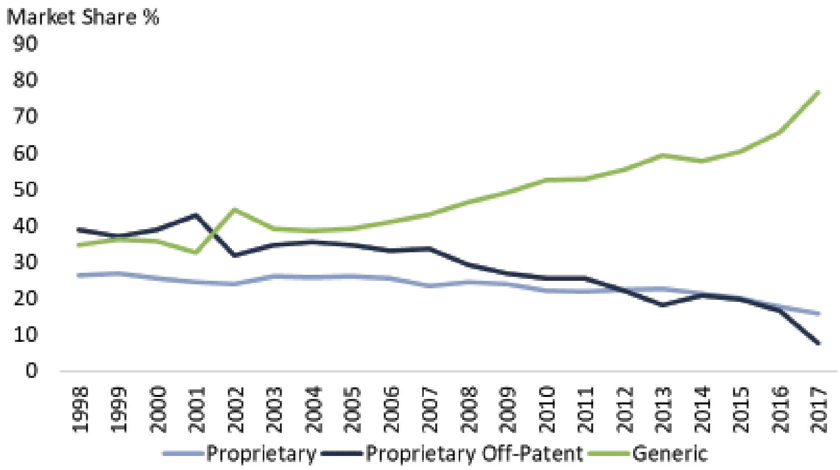
Rank	Country	Sales	Sales	Sales	Growth	Growth	Forecast	Growth
		2013	2017	2018	2018/17	2018/13	2023	2023/18
		($m)	($m)	($m)	(%)	(% p.a.)	(2018 $m)	(% p.a.)
1	Brazil	10,190	8,863	10,053	+13.4	-0.3	12,346	+4.2
2	USA	7,387	8,191	8,884	+8.5	+3.8	9,906	+2.2
3	China	3,636	5,999	6,517	+8.6	+12.4	7,483	+2.8
4	Japan	3,389	3,140	3,196	+1.8	-1.2	3,381	+1.1
5	India	2,382	2,708	3,004	+10.9	+4.7	3,387	+2.4
6	France	2,866	2,375	2,145	-9.7	-5.6	2,386	+2.2
7	Canada	1,967	1,828	1,960	+7.2	-0.1	2,327	+3.5
8	Argentina	1,747	1,748	1,794	+2.6	+0.5	2,276	+4.9
9	Germany	2,121	1,845	1,671	-9.4	-4.7	1,809	+1.6
10	Italy	1,303	1,209	1,228	+1.6	-1.2	1,392	+2.5
11	Russia	937	956	1,011	+5.8	+1.5	1,192	+3.3
12	Australia	1,107	951	933	-1.9	-3.4	1,000	+1.4
13	Spain	996	916	892	-2.6	-2.2	1,036	+3.0
14	Mexico	660	742	779	+5.0	+3.4	955	+4.2
15	South Korea	574	611	645	+5.6	+2.4	715	+2.1

Rank	Country	Sales	Sales	Sales	Growth	Growth	Forecast	Growth
		2013	2017	2018	2018/17	2018/13	2023	2023/18
		($m)	($m)	($m)	(%)	(% p.a.)	(2018 $m)	(% p.a.)
16	UK	744	670	630	-6.0	-3.3	686	+1.7
17	Poland	599	610	593	-2.8	-0.2	712	+3.7
18	Vietnam	561	533	592	+11.1	+1.1	690	+3.1
19	Thailand	625	506	560	+10.7	-2.2	621	+2.1
20	Ukraine................	742	502	527	+5.0	-6.6	603	+2.7
	World	54,075	54,319	57,561	+6.0	+1.3	66,703	+3.0

Proprietary versus Post-patent Market Share

Set out below is a graph prepared by IHS Markit setting forth the market share of patented, proprietary post-patent and generic products for the years indicated.

Evolution of Generics Market Share



Note: **Proprietary** relates to the sales of patented active ingredients; **Proprietary Off-Patent** relates to the sales of products that are off-patent, but where the company that first introduced the molecule still greater than 90% of global sales and **Generic** relates to products whereby the company that first introduced the molecule has a market share of less than 90% of global sales.

An increasing proportion of the market is being taken by 'generic' products. The patented share of the market is in a phase of slow decline as the rate of new active ingredient introduction falls off.

The share of proprietary products has fallen from 25.5% in 2000 to 15.7% in 2017. Conversely, the generics segment has risen from 35.7% in 2000 to 76.6% in 2017. The most significant drivers in the growth of the generics segment have been the reduction in molecules in development as a result of increasing development costs and registration complexity, as well as the volume growth of agrochemical use in developing markets. The expansion of herbicide tolerance technologies has also driven the non-selective herbicide market.

There was a pick up in the patented share in 2012 and 2013, driven by the success of rynaxypyr (an insecticide), but with sales of that product weakening in 2015, and with more patents expiring and entering the proprietary post-patent sector, the patented share fell again. The share of proprietary off-patent products dropped significantly from 2016 to 2017 as major products like azoxystrobin, thiamethoxam and mesotrione moved into the generic category. Overall, 12 active ingredients lost their patent protection in 2017, and only 4 new products were launched; i.e. the patented category is declining in both market share and product numbers.

The sum of sales of generic products grew by 25.0%, proprietary off-patent products declined by 49.9% and proprietary products declined by 4.8%. Despite generic products dominating the range of active ingredients included in the agrochemical market, R&D driven companies continue to account for 59.0% of the market, albeit this is a decrease from 63.8% in 2016.

Some intellectual property strategies remain open to companies once an active ingredient loses its patent protection. Re-formulations and branding are a competitive area between the generics companies and R&D manufacturers. R&D driven companies were once confident in their authority in gaining registration and regulatory affairs, however, generic manufacturers are increasingly hiring the expertise of contract research organisations and regulatory consultants to navigate the approvals process into key markets.

Such is the regulatory landscape for the registration of generic products in Europe, many traditionally European-centric companies have been increasingly seeking to register their products outside of the region.

The balance between patented, proprietary off-patent and generic market shares of the agrochemical industry is prone to a number of variables. While it is evident which product patents will expire in the coming years, the rate at which new chemical formulations are introduced is unpredictable. Also, when and to what extent regulatory decisions will be made that may remove or restrict the generic end of the industry remains uncertain.

Market conditions also play a part. When farm economies are weak, this generally shifts the market toward lower cost products, generally to the benefit of the generic industry.

The way the generic sector develops in the future will depend on a complex interplay of different forces including the rate of new product introductions, the success of the R&D-based companies defending their existing products, the de-registration of older products and the development of the overall agricultural economy.

Agrochemical Companies Landscape

The following table shows the agrochemical industry structure in 2018, ranked by headquarter location and global market share.

Agrochemical Industry Structure: 2018*

	10+	**10-5**	**Sales ($ billion) 5-1**	**1-0.5**	**<0.5**
Europe	Bayer	BASF		Sipcam	Helm
	Syngenta				Sapec Agro
					Belchim
USA...............		Corteva	FMC	Gowan	Amvac
			Arysta		
			Albaugh		
Japan			Sumitomo Chemical	Nissan	Mitsui
				Kumiai	Nippon Soda
				Nihon Nohyaku	Hokko
China				Nutrichem	Sinochem International
				Red Sun	
				Rainbow	Other Chinese
				Yangnong	
				Other Chinese	
Others			Adama		FarmHannong
			Nufarm		Sinon
			UPL		Rallis

* Ranked by Headquarter Location and Global Market Share

The ranking outlined in the table above comprises the main manufacturing organisations and does not include those that are primarily focused on product distribution. However, within this latter category there are several companies with significant sales revenues, notably companies such as Nutrien, Helena, Growmark, Wilbur-Ellis and Winfield in the USA and the leading Japanese trading companies Mitsui & Co., Sumitomo Corporation and Marubeni Corporation. In China the largest company to focus on distribution is Noposion.

The structure of the global agrochemical industry has undergone a major shift due to the scale of the recent mergers and acquisitions activity. The table below shows the groupings of the main companies in the industry on the basis of sales in 2018.

The crop protection industry in 2018 is led by the two largest R&D companies, Bayer and Syngenta, each with sales in excess of $10 billion. Syngenta lost its position as the leading agrochemical company for the first time since 2007 following Bayer's acquisition of Monsanto. The next level of the market, companies with sales of between $10 billion and $5 billion, consists of BASF and the newly established Corteva Agriscience. The third tier, sales between $5 billion and $1 billion, is dominated by the leading generic manufacturing companies with the exception of FMC and Sumitomo Chemical who invest significant value into strong research and development pipelines. Companies headquartered in Asia, specifically China and Japan, dominate the next two tiers, with the remainder including larger privately-owned companies located in other parts of the world. China is particularly significant with approximately half of the top 50 companies active in the industry being based in the country.

Key transactions which have taken place in the past few years have resulted in a major shift in the structure at the top end of the industry, with many of the top 10 companies being engaged in large-scale mergers or acquisitions.

This was highlighted in 2017 with ChemChina's $43 billion successful bid to acquire Syngenta as well as the merger between Dow and DuPont closing during the year. This was followed in June 2018 when Bayer successfully completed its $63.5 billion acquisition of Monsanto, in a transaction that was first announced in September 2016. Most recently, in February 2019, UPL announced that it had closed the acquisition of Arysta from Platform Specialty Products in a transaction valued at $4.2 billion.

Historically, when a number of major acquisitions and mergers have taken place in a short period of time, there would be potential for further consolidation in the near future. However, given the significance of divestments required in order to mitigate concerns from anti-trust authorities, this trend is unlikely to continue:

- Syngenta was required to divest products valued at approximately $270 million when acquired by ChemChina in order to remedy portfolio clashes with Adama.

- DuPont was required to divest its cereal broadleaf herbicides and chewing insecticides portfolio, as well as its R&D pipeline and organisation, excluding seed treatments, nematicides and late-stage R&D programmes. Similarly, Dow was required to divest part of its corn seed business in Brazil to CITIC Agri Fund. The value of these divestments was estimated at approximately $1.5 billion.

- Most significantly, Bayer was required to divest its glufosinate business and related LibertyLink technology, its global field crop seeds business and certain R&D activities. The value of the divested portfolio was estimated at $2.5 billion.

As a result, any future market consolidation going forward is most likely to come from the second-tier companies. Given the recent growth of companies based in China and the crackdown on manufacturing in the country, there lies potential for M&A activity within these businesses, both domestically and on an international level.

It is evident that the M&A activity of the last couple of years has had a significant impact on the leading companies active in the agrochemical industry. For the first time in 10 years, Syngenta has lost its position as the leading agrochemical company despite showing strong growth in 2018. The company was overtaken by Bayer, who benefitted from the acquisition of Monsanto.

The following table lists the 15 leading agrochemical companies ranked by their conventional agrochemical sales in 2018 (Source: IHS Markit)

Leading 15 Companies: Agrochemical Sales 2018 – As Reported Basis

Rank	Agrochemical Company Sales ($m.)	2017	2018	% Change from 2017
1	Bayer	9,103	11,728	+28.8
2	Syngenta	9,739	10,413	+6.9
3	BASF	6,422	7,048	+9.7
4	Corteva Agriscience	6,184	6,445	+4.2
5	FMC	2,531	4,285	+69.3
6	Adama	3,259	3,617	+11.0
7	Sumitomo Chemical	2,492	2,515	+0.9
8	Nufarm	2,379	2,440	+2.6
9	UPL	2,172	2,394	+10.2
10	Arysta LifeScience	1,897	2,039	+7.5
11	Albaugh	1,279	1,415	+10.6
12	Nutrichem International	904	936	+3.6
13	Red Sun	726	890	+22.6
14	Shandong Weifang Rainbow Chemical	767	808	+5.4
15	Jiangsu Yangnong Chemical	647	787	+21.7

* Sales on an as reported basis

Other major beneficiaries of the consolidation activity, including those who acquired portfolios divested to mitigate regulatory concerns, are BASF, FMC, Adama and Nufarm.

Aside from this inorganic growth, most of the leading companies experienced favourable organic sales in 2018 with the increased product prices being of particular benefit to the businesses focused on post-patent (generic) products, notably UPL, Adama, FMC and Arysta.

Company Agrochemical Sales: 2018/2017/2013

Sales ($m.)	2018	2017	2013	% Change 2018/2017	% Growth p.a. 2018/2013
Bayer	11,728	9,103	10,418	28.8	2.4
Syngenta	10,413	9,739	11,413	6.9	-1.8
BASF	7,048	6,422	6,942	9.7	0.3
Corteva Agriscience	6,445	6,184	n.a.	4.2	n.a.
FMC	4,285	2,531	2,146	69.3	14.8
Adama	3,617	3,259	2,876	11.0	4.7
Sumitomo Chemical	2,515	2,492	2,020	0.9	4.5
Nufarm*	2,440	2,379	2,297	2.6	1.2
UPL**	2,394	2,172	1,607	10.2	8.3
Arysta LifeScience***	2,039	1,897	1,501	7.5	6.3

*   Sales adjusted to reflect 12 months ending January

**   Sales adjusted to reflect 12 months ending December

***   PMD in-house estimate

The crop protection industry includes products derived both from conventional chemical synthesis as well as products based on biological agents. For some companies their turnover includes conventional agrochemical products as well as revenues from the sale or licensing of GM traits. In contrast, several of the industry participants report seed sales separately; such revenue can be from GM seed as well as those derived from conventional seed breeding and distribution businesses. In the tables, revenues from all seed including GM have been excluded to focus solely on agrochemical products.

It is important to note that all company sales data in the Company Section has been adjusted to best reflect the calendar year where applicable. This is most notably the case for Nufarm (year ending 31 January 2018).

Where applicable, sales provided within company profiles are presented on an 'as reported' basis, not adjusted to show performance if the major transactions occurred on 1 January, in order to present exactly how any company performed during fiscal year 2018. The Issuer has, however, provided 'pro-forma' sales estimates where appropriate.

The following table provides insight on pro-forma sales. The most significant moves include UPL, which following the acquisition of Arysta, and due to no divestments being needed to gain approval from regulatory bodies, has jumped three spots in the leader board to fifth largest agrochemical company.

Leading 15 Companies: Agrochemical Sales 2018 – Pro-Forma Basis

Rank	Agrochemical Company Sales ($m.)	2017	2018	% Change from 2017
1	Bayer	9,706	10,986	13.2
2	Syngenta	9,739	10,413	6.9
3	BASF	7,017	7,469	6.4
4	Corteva Agriscience	6,184	6,445	4.2
5	UPL	4,100	4,400	7.3
6	FMC	2,531	4,285	69.3
7	Adama	3,259	3,617	11.0
8	Sumitomo Chemical	2,492	2,515	0.9
9	Nufarm	2,379	2,440	2.6
10	Albaugh	1,279	1,415	10.6
11	Nutrichem International	904	936	3.6
12	Red Sun	726	890	22.6
13	Shandong Weifang Rainbow Chemical	767	808	5.4
14	Jiangsu Yangnong Chemical	647	787	21.7
15	Sichuan Leshan Fuhua Agro-Chemical	640	720	12.5

*   Sales on an as reported basis

Source: IHS Markit

Key Drivers of the Post-patent Market

Products coming post-patent and maintenance of product portfolio

While R&D driven companies are under pressure to bring new products to market, post-patent companies are under pressure to maintain and upgrade their product portfolio in order to sustain their competitive position.

The steady stream of expiring patents of agrochemical active ingredients provides a source of new products, however, investment has to be made to register such products in a timely manner. The number of new products entering the market is in decline, which means that in the future, there will also be fewer products coming post-patent and greater competition in the recently off-patent sector.

Registrations, re-registration and market access

Another major challenge is sustaining the registration of products the company has on the market, in particular products based on older chemistry, which is more prone to regulatory scrutiny.

Product differentiation

There is significant competition in the post-patent market, with many companies offering the same products. This introduces the need for product differentiation, either through novel mixtures of active ingredients that suit a particular farmer's needs, or through proprietary formulation technology to provide a version of a product that may be more effective or user-friendly. If the post-patent company owns the patent to such technology, it can offer proprietary brands to the market and has a unique position for which it may be able to charge enhanced prices. There has been an increased focus on branded products which generally have a higher profit margin than non-branded products.

Low cost manufacturing or sourcing base

Unlike a pharmaceutical product, the cost of goods for producing an agrochemical is generally between 40-60% of the selling price of a product. Hence, there is not sufficient margin for a generic supplier to cut pricing considerably. In many cases, the company that introduced the molecule will have the economies of scale and experience with the product to sustain a very efficient manufacturing process. For the generic player, it is crucial to have a low cost and efficient source for product production to sustain the competitiveness and profitability of its operations.

Distribution capability

The further a company is involved down the distribution chain, the greater control it retains regarding product pricing and ability to change its offering to benefit from short-term market opportunities. The first part of this is owning registrations so that a company is not restrained by the demands of the registration holder. The next element is route to market; with its own distribution company, a company does not have to compete with multinationals for a distributor to push its product.

Most post-patent players operate only as marketing to distributors, while most of the R&D companies also practice pull marketing with technical representatives visiting farmers to ensure that the farmer requests their products. A company with its own distribution network can counteract this activity.

The analysis has shown that while the post-patent companies have slowly been gaining market share in what has been a very positive market in 2011 to 2013, generally the market opportunity for generic companies is greater when agricultural economies are weak, and farmers are seeking lower cost alternatives to satisfy their crop protection needs. Market conditions in 2015 and 2016 have generally been more favourable to the generic side of the industry.

The analysis above has also shown that the greatest future growth is also expected in developing countries, where in many cases the generic companies hold a larger market share than in the more developed markets where new products from R&D generally make a more significant impact. In many of these developing markets, distribution is not as well developed, with local companies holding a greater share, potentially providing greater market access to generic companies.

End-to-end solution

In order to provide end-to-end solutions, some players now have a comprehensive product portfolio covering the entire agricultural value chain, including seeds, seeds treatment, crop protection, storage of agricultural products as well as the post-harvest stage. In addition to in-house R&D, product development, registration, manufacture of active ingredients, formulation and packaging to marketing and distribution.

Barriers to Market Entry

The key barrier to market entry is registration. Without authority to sell, a company cannot participate in a regulated market. Most reputable companies will not want a presence in unregulated markets due to very low prices in these markets and the preponderance of fake and contraband products in these markets.

The most highly regulated and more costly to access markets are the EU, the United States, Canada and Japan. However, such costs are reflected in the pricing and profitability that can be attained in these regions.

While the Organisation for Economic Co-operation and Development does make product rulings, it does not provide any global registration system. Most developing markets generally mirror either the EU or US systems, with their own additional local requirements.

Some countries, notably Australia and Argentina, have quite open registration systems that make generic registrations more straightforward. However, an open market leads to much more competition and lower prices and profitability.

Brazil was at one time a difficult market for generic registrations, but the system then changed to be more open. The effect of this was for many companies to try to register products in the country, which was at that time the fastest growing market in the agrochemical industry. However, the flood of applications resulted in a complete overload of the system, with the authorities currently contemplating amendments to the system.

The next barrier is distribution. Some companies supply products to the local formulators and distributors that own the registration. In this instance, the supplier has little control of his products or the price for which they are sold. Also, it is relatively simple for a distributor to switch suppliers if he holds his own registration.

Most of the larger suppliers have their own registrations and so have greater control over the price. However, in many cases, the company will still use local distributors and they will have to compete for the attention of such local distributors against their other suppliers. Having their own distribution capability in the market takes away that level of competition, but is clearly a more costly operation which requires a broad product portfolio to offer a complete solution to the farmer. In some countries there are limitations on the ownership, or level of ownership, that foreign companies may hold in domestic businesses.

While not a barrier to entry, breadth of product portfolio and crop focus is a key issue. A complete offering across one major crop is more likely to yield success than an unfocused approach. Strategic planning to position the business, focus on areas of strength support for core products will more likely lead to success. Product stewardship, awareness of resistance and the relative activity of a company's product range, and upgrading where necessary, are all significant aspects of maintaining market performance.

Regulatory Environment

Much of the development costs of bringing a new active ingredient to market are associated with undertaking the studies required to satisfy the regulatory authorities. There has been an increase in development and registration costs over the last 10 years from 2000 to 2010-14, reflecting the harsher regulatory environment.

The declining trend in innovation can somewhat be attributed to the increasing cost of bringing a new molecule to market in recent years. IHS Markit carried out a study which concluded that the total cost of developing a new active ingredient has risen from approximately $152 million in 1995 to around $286 million in 2014; this expense includes research, development and registration costs. Over the same period, the time to develop and launch a new product has increased from 8.3 years to 11.3 years.

There has been a decline in conventional crop protection chemistries being introduced and conversely a general upturn in the number of biological active ingredients entering the market over the longer term. However, the average number of biopesticide introductions per year has been relatively static, with 11.2 (1990-1999), 11.2 (2000-2009) and 10.3 (2010-2018). In comparison, the conventional chemistry sector declined from 12.7 (1990-1999), was comparable at 11.2 (2000-2009) before falling to 5.9 (2010-2018). Additionally, due to industry consolidation, the number of research-driven agrochemical companies has declined whilst a shift in focus of the leading companies towards seeds and traits has also had an impact on investment in the development of new chemical crop protection products.

At present, 41 active ingredients remain in the later stages of development; if all of these products achieve introduction within the next five years, then the average annual rate of products introduced will be 8.2, in line with the historical rate of 8.3 since 1999.

Mergers and Acquisitions

The following tables list the major mergers and acquisitions in the industry from 2014 to present.

Acquirer	Business Purchased or Merged
Red Sun	Nanjing Red Sun acquired a 60% stake in the Argentina-based agribusiness Ruralco for approximately $23 million
BASF	Acquired significant seed, crop protection and digital agriculture assets from Bayer in a transaction valued at a reported €7.6 billion
Yangnong Chemical	Acquired Sinochem International's subsidiaries, Sinochem Crop Protection and Shenyang Pesticide Chemical Research and Development
UPL	Acquired the Bioquim Group comprising the Costa Rica-based agrochemical company Industrias Bioquim Centroamericana
Bayer	Bayer closed the acquisition of Monsanto for $66 billion
Adama	Entered a MoU to acquire "key parts" of Chinese chemical company Jiangsu Huifeng Bio Agriculture's crop protection business
Nufarm	Acquired the nematicide seed treatment Trunemco (cis-jasmone + *Bacillus amyloliquefaciens* strain MBI 600) from BASF
Temasek	Bayer signed an agreement to sell 31 million new shares to Temasek, corresponding to around 3.6% of the capital stock for €3 billion
Crystal Crop Protection	Acquired four pesticide brands from FMC; Furadan (carbofuran), Splendour (thiacloprid), Affinity Force (metsulfuron-methyl + carfentrazone-ethyl) and Metcil (metsulfuron-methyl)

Acquirer	Business Purchased or Merged
Amvac	Acquired the quizalofop (QPE) herbicide line from DowDuPont's agricultural business, Corteva Agriscience
UPL	Acquired Arysta from Platform Specialty Products in a transaction valued at $4.2 billion
Sumitomo Chemical	Merged its two Indian subsidiaries, Excel Crop Care and Sumitomo Chemical India
Nihon Nohyaku	Acquired the Colombian agrochemical company Adnicol
Nufarm	Completed the acquisition of FMC's European sulfonylurea and florasulam herbicides portfolio for $90 million
Nufarm	Closed the acquisition of the Century portfolio of products and assets from Adama/Syngenta
Arysta	Acquired the New Zealand based Etec Crop Solutions through the formation of a new business entity, Arysta LifeScience New Zealand
Sipcam Oxon	Acquired the Swiss biostimulants company Sofbey SA
Amvac	Purchased the bromacil herbicide business in the United States and Canada from Bayer Crop Science
Helm	Acquired the Extreme herbicide portfolio from BASF
Sumitomo Corporation	Acquired 51% stakes in the Ukrainian companies Spectr-Agro and Spectr-Agrotechnika
Crystal Crop Protection	Acquired three brands from Syngenta; Tilt, Blue Copper and Proclaim
UPL	Closed the acquisition of Arysta from Platform Specialty Products in a transaction valued at $4.2 billion

The following table illustrates the most significant transactions to have been completed in the last 20 years:

Acquisitions and Mergers of the Leading Agrochemical Companies

Year	Acquirer/ Resulting Business	Business Purchased or Merged	Value
1999	Syngenta	Novartis and Zeneca announced merger of agribusiness operations to form Syngenta	n.a.
2000	BASF	BASF closed the acquisition of Cyanamid during July 2000	$3.8 bn
2001	Dow	Dow acquired the global agrochemical business of Rohm & Haas	n.a.
2002	Bayer	Bayer completed the acquisition of Aventis' agribusiness, Aventis CropScience (ACS)	$6.6 bn
2011.................	ChemChina	ChemChina acquired a controlling stake in Makhteshim Agan (MAI), following which MAI rebranded as Adama	$2.6 bn

Year	Acquirer/ Resulting Business	Business Purchased or Merged	Value
2012	BASF	BASF acquired Becker Underwood and formed a new business unit named Functional Crop Care	$1.02 bn
2017	ChemChina	China National Chemical Corporation (ChemChina) closed the acquisition of Syngenta in June 2017	$43 bn
2017	FMC	FMC closed the acquisition of a significant proportion of DuPont's crop protection assets in November 2017	$1.6 bn
2018	Corteva AgriScience	Dow and DuPont merge to form Corteva AgriScience	n.a.
2018	Bayer	Bayer acquired Monsanto in a transaction which closed in June 2018	$66 bn
2018	BASF	BASF closed the acquisition of key assets from Bayer in August 2018	$8.8 bn
2019	UPL	Closed acquisition of Arysta LifeScience from Platform Specialty Products in February 2019	$4.2 bn

Source: IHS Markit

Aside from the companies involved, a major beneficiary of the consolidation in the industry has been the major Chinese manufacturers with four now having sales great enough to be ranked in the top 15. Although M&A activity has led to a decline in the number of major companies boosting the rank of the Chinese companies, the prevalence of such manufacturers among the leaders has also been boosted by significant growth in international trade. According to IHS Markit's Global Trade Atlas (GTA), Chinese pesticide exports have increased from approximately 147 thousand tonnes in 1999 to nearly 1.5 million tonnes today due to strong demand for cheap generic produce. A similar situation has occurred for the Indian manufacturers, with pesticide trade growing at a rate of 13.0% per annum since 1999 to reach 443 thousand tonnes. UPL, in particular, has benefitted from such export demand from India, with sales growing from $139 million in 1999 to $2,394 million in 2018 ($4.4 billion if Arysta sales are included); the vast majority of the company's sales now being derived from international markets.

TERMS AND CONDITIONS OF THE NOTES

The following, subject to amendment and other than the words in italics, is the text of the Terms and Conditions of the Notes which will appear on the reverse of each of the definitive certificates evidencing the Notes:

The issue of U.S.$500,000,000 4.625 per cent. Senior Notes due 2030 (the "**Notes**", which expression shall, unless otherwise indicated, include any Additional Notes (as defined below) issued pursuant to Condition 14 (*Further Issues*) and consolidated and forming a single series therewith) of UPL Corporation Limited (the "**Issuer**") was authorised by the resolutions of the Board of Directors of the Issuer passed on or about 20 May 2020. Initially, the Notes will not be guaranteed by any of the Issuer's subsidiaries. The Issuer may cause any of its subsidiaries, including any future subsidiary, to execute and deliver to the Trustee a supplemental trust deed to the Trust Deed (as defined below) providing for an unsubordinated guarantee of payment of the Notes by such subsidiary. For purposes of these Terms and Conditions (these "**Conditions**"), the term "**Subsidiary Guarantor**" refers to any subsidiary of the Issuer that guarantees the Notes and each such guarantee is referred to as a "**Subsidiary Guarantee**." The Notes are constituted by a Trust Deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated 16 June 2020 (the "**Original Issue Date**") between the Issuer and Citicorp International Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for itself and for the holders (as defined below) of the Notes. These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes. Copies of the Trust Deed and the Agency Agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated the Original Issue Date relating to the Notes between the Issuer, the Trustee, Citibank, N.A., London Branch as the registrar (the "**Registrar**"), Citibank, N.A., London Branch as the initial transfer agent (the "**Transfer Agent**"), Citibank, N.A., London Branch as the calculation agent (the "**Calculation Agent**") and Citibank, N.A., London Branch as the initial principal paying agent (the "**Principal Paying Agent**") and any other agents named in or appointed under it, are available for inspection by any holder of the Notes at all reasonable times during usual business hours (being between 9.00 a.m. and 3.00 p.m., Monday to Friday (other than public holidays)) at the principal office of the Trustee (being as at the Original Issue Date at 20/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong) following prior written request and proof of holding and identity satisfactory to the Trustee. "**Agents**" means the Principal Paying Agent, the Registrar, the Calculation Agent, the Transfer Agent and any other agent or agents appointed pursuant to the Agency Agreement from time to time with respect to the Notes.

The Holders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 FORM, SPECIFIED DENOMINATION, TITLE AND STATUS

(a) *Form and Specified Denomination*:

The Notes will be issued only in fully registered form, without coupons, in the minimum denomination of U.S.$200,000 of principal amount and integral multiples of U.S.$1,000 in excess thereof. The Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Notes by the same Holder. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Holders (the "**Register**") which the Issuer will procure to be kept by the Registrar in accordance with the terms of the Agency Agreement.

*Upon issue, the Notes will be represented by a global certificate (the "**Global Certificate**") representing Notes registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**").*

The Conditions are modified by certain provisions contained in the Global Certificate while any of the Notes are represented by the Global Certificate. See "The Global Certificate".

Except in the limited circumstances described in the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form.

The Notes will be traded on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in a minimum board lot size of S$200,000 for as long as the Notes are listed on the SGX-ST.

(b) *Title:*

Title to the Notes will pass by transfer and registration in the Register as described in Condition 2. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing (other than the endorsed form of transfer) on the Certificate representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder. In these Conditions, "Holder" and, in relation to a Note, "holder" mean the person in whose name a Note is registered in the Register (or in the case of a joint holding, the first named thereof).

(c) *Status:*

The Notes constitute direct, unconditional, unsubordinated, unsecured and senior obligations of the Issuer and shall, save for exceptions as may be provided by mandatory provisions of applicable law, at all times rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Notes shall rank senior to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes and at least *pari passu* with all other unsecured, unsubordinated obligations of the Issuer (subject to any priority rights of such unsecured, unsubordinated obligations pursuant to applicable law). The Notes are effectively subordinated to the secured obligations of the Issuer, to the extent of the value of the assets serving as security therefor, and to the debt and other liabilities of the current and future subsidiaries of the Issuer (other than any Subsidiary Guarantor).

2 TRANSFERS OF SECURITIES AND ISSUE OF CERTIFICATES

(a) *Transfer*: A holding of Notes may, subject to Condition 2(d) and the terms of the Agency Agreement, be transferred in whole or in part upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Notes to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require. In the case of a transfer of part only of a holding of Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Notes to a person who is already a holder of Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. All transfers of Notes and entries on the Register will be made in accordance with the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer or the Registrar, with the prior written approval of the Trustee and, in the case of any change proposed by the Issuer, the Registrar. A copy of the current regulations will be mailed by the Registrar to any Holder following written request and proof of holding and identity satisfactory to the Registrar.

Transfers of interests in the Notes evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

(b) *Delivery of New Certificates*: Each new Certificate to be issued pursuant to Condition 2(a) shall be available for delivery within seven business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b), "**business day**" means a day, other than a Saturday, Sunday or public holiday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(c) *Formalities Free of Charge*: Registration of a transfer of Notes will be effected without charge to the relevant Holder by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon payment by the relevant Holder of any and all taxes, duties or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant Transfer Agent may require).

(d) *Closed Periods*: No Holder may require the transfer of a Note to be registered:

(i) during the period of 15 days ending on (and including) the due date for redemption of that Note; or

(ii) during the period of seven days ending on (and including) any Record Date.

3 SUBSIDIARY GUARANTEES

On the Original Issue Date, none of the Subsidiaries of the Issuer will guarantee the Notes. The Issuer may cause any of its Subsidiaries, including any future Subsidiary, to execute and deliver to the Trustee a supplemental trust deed to the Trust Deed providing for an unsubordinated guarantee of payment of the Notes by such Subsidiary.

Any Subsidiary Guarantee of a Subsidiary Guarantor will be a general unsecured obligation of such Subsidiary Guarantor. The payment obligations of a Subsidiary Guarantor under a Subsidiary Guarantee shall rank senior to any obligations of such Subsidiary Guarantor that are expressly subordinated in right of payment to such Subsidiary Guarantee and at least *pari passu* with all other unsecured, unsubordinated obligations of such Subsidiary Guarantor (subject to any priority rights of such unsecured, unsubordinated obligations pursuant to applicable law). The Subsidiary Guarantee of a Subsidiary Guarantor will be effectively subordinated to the secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor, and to the debt and other liabilities of the current and future subsidiaries of such Subsidiary Guarantor that do not guarantee the Notes.

Each Subsidiary Guarantor will jointly and severally guarantee the due and punctual payment of the principal of, premium (if any) and interest on, and all other amounts payable under, the Notes and the Trust Deed, subject to the limitations set forth herein. Each Subsidiary Guarantor will (a) agree that its obligations under its Subsidiary Guarantee will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes or the Trust Deed and (b) waive its right to require the Trustee to pursue or exhaust its legal or equitable remedies against the Issuer or any other Subsidiary Guarantor (if any) prior to exercising its rights under the Subsidiary Guarantee. Moreover, if at any time any amount paid under a Note or the Trust Deed is rescinded or must otherwise be repaid, the rights of the Holders under the Subsidiary Guarantees will be reinstated with respect to such payments as though such payment had not been made. All payments under the Subsidiary Guarantees will be required to be made in U.S. dollars.

Each Subsidiary Guarantee will be limited under the Trust Deed to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable laws relating to fraudulent conveyance, fraudulent transfer, financial assistance, corporate benefit, capital maintenance or similar laws affecting the rights of creditors generally. By virtue of these limitations, a Subsidiary Guarantor's obligations under its Subsidiary Guarantee could be significantly less than amounts payable with respect to the Notes, or a Subsidiary Guarantor may effectively have no obligation under its Subsidiary Guarantee. If a Subsidiary Guarantee were to be rendered voidable, it could be subordinated by a court to all other Indebtedness (including guarantees and other contingent liabilities) of the applicable Subsidiary Guarantor, and, depending on the amount of such Indebtedness, a Subsidiary Guarantor's liability on its Subsidiary Guarantee could be reduced to zero.

See "Risk Factors – Risks Relating to the Notes and the Structure – Any Subsidiary Guarantees, if issued, may be challenged under applicable financial assistance, insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees.".

A Subsidiary Guarantee given by a Subsidiary Guarantor may be released in certain circumstances, including:

(i) upon repayment in full of the Notes;

(ii) upon the sale or other disposition (including by way of merger or consolidation) of the Capital Stock of such Subsidiary Guarantor in compliance with the terms of the Trust Deed (including the covenant described under Condition 4(c)) resulting in such Subsidiary Guarantor no longer being a Subsidiary of the Issuer; and

(iii) if immediately after such release, the Issuer would be able to Incur at least U.S.$1.00 of Priority Indebtedness under the covenant in Condition 4(a).

No release of a Subsidiary Guarantor from its Subsidiary Guarantee shall be effective against the Trustee or the Holders until the Issuer has delivered to the Trustee an Officer's Certificate stating that all requirements relating to such release have been complied with and that such release is authorised and permitted by these Conditions and the Trust Deed. The Trustee shall be entitled (but not obliged) to accept such Officer's Certificate without investigation as sufficient evidence of the satisfaction of all requirements relating to such release, in which event it will be conclusive and binding on the Issuer, all Subsidiary Guarantor(s), all Surviving Person(s) and all Holders.

4 COVENANTS

(a) *Limitation on Priority Indebtedness*

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer shall not, and shall not permit any of its Subsidiaries to, Incur, directly or indirectly, any Priority Indebtedness, unless after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, the aggregate outstanding principal amount of all Priority Indebtedness would not exceed 10% of Consolidated Total Assets measured at the date of such Incurrence. Notwithstanding the foregoing, the Issuer or any of its Subsidiaries may Incur Indebtedness ("**Working Capital Indebtedness**") with a maturity of one year or less to be used by the Issuer or such Subsidiaries for working capital purposes; *provided* that (x) the aggregate principal amount of such Working Capital Indebtedness does not exceed 15% of Consolidated Total Assets measured at the date of such Incurrence, and (y) such Working Capital Indebtedness shall be excluded from the definition of "Priority Indebtedness" for purposes of calculations under the first sentence of this covenant.

(b) *Limitation on Transactions with Affiliates*

The Issuer will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into, renew or extend any transaction or arrangement (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with (i) any holder (or any Affiliate of such holder) of 10% or more of any class of Capital Stock of the Issuer, or (ii) any Affiliate of the Issuer (each an "**Affiliate Transaction**"), unless:

(A) the Affiliate Transaction is on terms that are no less favourable to the Issuer or such Subsidiary than those that would have been obtained in a comparable arm's-length transaction by the Issuer or such Subsidiary with a Person that is not such a holder or an Affiliate of the Issuer or are, fair to the Issuer or such Subsidiary from a financial point of view; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$5.0 million (or the Dollar Equivalent thereof), the Issuer delivers to the Trustee a Board Resolution set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transaction has been approved by the Board of Directors of the Issuer.

The foregoing limitation does not apply to:

(I) the payment of reasonable and customary fees to, and indemnity provided on behalf of, directors of the Issuer or any of its Subsidiaries;

(II) transactions between or among the Issuer and any of its Subsidiaries or between or among any Subsidiaries of the Issuer;

(III) transactions with customers, clients, suppliers or purchasers or sellers of goods or services (including administrative, cash management, legal and regulatory, technical, research, financial, accounting, procurement, marketing, insurance, labour, management, operation and maintenance and other services) or insurance or lessors or lessees or providers of employees or other labour or property, in each case in the ordinary course of business and on terms that are fair or at least as favourable as arm's length;

(IV) transactions or payments pursuant to any employee, officer, commissioner or director compensation or benefit plans or employment or indemnification agreements, including stock option or employee stock-ownership plans, or arrangements entered into in the ordinary course of business and approved by the Board of Directors of the Issuer;

(V) transactions pursuant to any contract or agreement as in effect on the Original Issue Date, as amended, modified or renewed from time to time so long as such amended, modified or renewed agreement is not less favourable in any material respect to the Issuer and its Subsidiaries than the original agreement as in effect on the Original Issue Date;

(VI) any transaction with any Person which constitute an Affiliate Transaction solely because the Issuer or any of its Subsidiaries owns Capital Stock in or otherwise controls such Person;

(VII) the issuance or sale of any Capital Stock (other than Disqualified Stock) of the Issuer; and

(VIII) loans or advances to, or guarantees of obligations of, directors, commissioners, officers or employees of the Issuer or any of its Subsidiaries in the ordinary course of business not to exceed U.S.$2.0 million (or the Dollar Equivalent thereof) in the aggregate at any one time outstanding.

(c) *Limitation on Asset Sales*

The Issuer will not, and will not permit any of its Subsidiaries to, consummate any Asset Sale, unless:

(i) the consideration received by the Issuer or such Subsidiary, as the case may be, is at least equal to the fair market value of the assets sold or disposed of; and

(ii) at least 75% of the consideration received consists of cash, cash equivalents or Replacement Assets.

For purposes of this Condition 4(c), each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Issuer's most recent consolidated statement of financial position, of the Issuer or any of its Subsidiaries (other than contingent liabilities) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that irrevocably and unconditionally releases the Issuer or such Subsidiary from further liability; and

(B) any securities, notes or other obligations received by the Issuer or any of its Subsidiaries from such transferee that are promptly, but in any event within 30 days of closing, converted by the Issuer or such Subsidiary into cash, to the extent of the cash received in that conversion.

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Issuer will, or will cause the relevant Subsidiary to, apply such Net Cash Proceeds to:

(I) repay Indebtedness (and, if such Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto) of the Issuer or any of its Subsidiaries (in each case other than Indebtedness owed to the Issuer or a Subsidiary of the Issuer);

(II) acquire Replacement Assets; or

(III) make an offer to purchase the Notes as provided in the following paragraphs.

Any such Net Cash Proceeds required to be applied during such 360-day period and not applied as so required by the end of such period shall constitute "**Excess Proceeds**."

Within 10 days after the aggregate amount of Excess Proceeds totals at least U.S.$10.0 million (or the Dollar Equivalent thereof), the Issuer must commence and consummate an Offer to Purchase the maximum principal amount of Notes that may be purchased with such Excess Proceeds. The offer price in any such Offer to Purchase will be equal to 100% of the principal amount of the Notes plus accrued and unpaid interest, if any, to (but not including) the date of purchase, and will be payable in cash. If the aggregate principal amount of Notes tendered into such Offer to Purchase exceeds the amount of Excess Proceeds, the Notes will be purchased on a *pro rata* basis based on the principal amount tendered. To the extent that any Excess Proceeds remain after consummation of an Offer to Purchase pursuant to this covenant, the Issuer and its Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by the Trust Deed, and those Excess Proceeds shall no longer constitute "Excess Proceeds."

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Offer to Purchase. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the covenant described hereunder, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described hereunder by virtue of such compliance with such laws and regulations.

(d) *Provision of Financial Statements and Reports*

So long as any Note remains outstanding, the Issuer will deliver to the Trustee and, in addition, will post on its website:

(i) as soon as they are available, but in any event within 120 calendar days after the end of the fiscal year of the Issuer, copies of its financial statements (on a consolidated basis) in respect of such financial year (including a consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and consolidated statement of cash flows) audited by a member firm of an internationally recognised firm of independent accountants;

(ii) as soon as they are available, but in any event within 90 calendar days after the end of the first semi-annual fiscal period of the Issuer, copies of its financial statements (on a consolidated basis) in respect of such semi-annual period (including an unaudited condensed consolidated statement of financial position, an unaudited condensed consolidated statement of profit or loss and other comprehensive income and an unaudited consolidated statement of cash flows), together with a certificate signed by the person then authorised to sign financial statements on behalf of the Issuer to the effect that such financial statements present fairly the consolidated financial position of the Issuer as at the end of, and the results of its operations and cash flows for, the semi-annual period; and

(iii) as soon as they are available, but in any event within 60 calendar days after the end of each of the first and third fiscal quarters of the Issuer, copies of its financial statements (on a consolidated basis) in respect of such fiscal quarters (including an unaudited condensed consolidated statement of profit or loss and other comprehensive income), together with a certificate signed by the person then authorised to sign financial statements on behalf of the Issuer to the effect that such financial statements present fairly the results of its operations for, the relevant quarterly period.

In addition, so long as any Note remains outstanding, the Issuer will provide to the Trustee (A) within 120 days after the end of each fiscal year, an Officer's Certificate (substantially in the form set out in the Trust Deed) stating the aggregate principal amount of Priority Indebtedness outstanding as of the end of such fiscal year and (B) as soon as possible and in any event within 30 days after the Issuer becomes aware of the occurrence thereof, written notice of the occurrence of any event or condition which constitutes an Event of Default or a Default and an Officer's Certificate of the Issuer setting forth the details thereof and the action the Issuer is taking or proposes to take with respect thereto.

(e) *Limitation on Consolidation and Merger*

The Issuer will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its assets (calculated on a consolidated basis) to, any Person, unless:

(i) the resulting, surviving or transferee person (the "**Surviving Person**"), if not the Issuer, will expressly assume, by a supplemental trust deed to the Trust Deed, executed and delivered to the Trustee, all the obligations of the Issuer under the Notes and the Trust Deed;

(ii) immediately after giving effect to such transaction, no Default or Event of Default will have occurred and be continuing;

(iii) the Issuer will have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental trust deed, if any, comply with these Conditions and the Trust Deed; and

(iv) each Subsidiary Guarantor, unless such Subsidiary Guarantor is the Person with which the Issuer has entered into a transaction described under this Condition 4(e), shall execute and deliver a supplemental trust deed to the Trust Deed confirming that its Subsidiary Guarantee shall apply to the obligations of the Issuer or the Surviving Person in accordance with the Notes and the Trust Deed.

5 INTEREST

(a) *Interest Rate and Interest Payment Dates:* The Notes bear interest on their outstanding principal amount from and including the Original Issue Date or from and including the most recent interest payment date on which interest has been paid or duly provided for, at a rate of 4.625 per cent. per annum (the "**Interest Rate**"), payable semi-annually in arrear on 16 June and 16 December each year (each an "**Interest Payment Date**"), commencing on 16 December 2020.

(b) *Interest Accrual*: Unless otherwise provided for in these Conditions, each Note will cease to bear interest from (and including) the due date for redemption unless, upon due presentation, payment of the full amount due is improperly withheld or refused. In such latter event, interest will continue to accrue at the rate specified in Condition 5(a) (after as well as before any judgment) up to but excluding the date on which all sums due in respect of the Notes are received by the Principal Paying Agent or the Trustee and notice to that effect shall have been given to the Holders in accordance with Condition 15.

(c) *Calculation of Broken Interest:* If interest is required to be calculated for a period of less than a whole Interest Period, it will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, "**Interest Period**" means the payment period beginning on (and including) the Original Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

6 REDEMPTION AND PURCHASE

(a) *Maturity*

Unless previously redeemed, or purchased and cancelled as provided in these Conditions, the Notes will be redeemed at their principal amount together with accrued but unpaid interest (if any) in accordance with Condition 5 on 16 June 2030 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer prior to the Maturity Date other than in accordance with this Condition 6.

(b) *Optional Redemption*

Subject to applicable laws, the Notes may be redeemed at the option of the Issuer, at any time in whole or from time to time in part, upon not less than 30 nor more than 60 days' notice to the Holders (in accordance with Condition 15) and in writing to the Trustee and the Principal Paying Agent (which notice will be irrevocable), at a redemption price equal to the greater of (i) the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments of the Notes to be redeemed, discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, in each case plus accrued and unpaid interest thereon to (but not including) the redemption date.

If the optional redemption date is on or after an interest record date and on or before the related Interest Payment Date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

In the case of any partial redemption, the Notes will be redeemed on a *pro rata* basis or as otherwise in compliance with the requirements, if any, of the principal stock exchange on which the Notes are listed at such time or if the Notes are then held through a clearing system or clearing systems, in compliance with the requirements, if any, of the clearing system(s), although no Note of U.S.$200,000 in original principal amount or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount thereof to be redeemed. A new Certificate in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Certificate. No partial redemption of any Note will be allowed if it would result in the issuance of a new Certificate, representing the unredeemed portion, in an amount of less than U.S.$200,000. Neither the Trustee nor any of the Agents are responsible or liable for verifying or calculating the redemption price and none of them shall be liable to Holders, the Issuer, any Subsidiary Guarantor or any other person for not doing so.

(c) *Redemption for Tax Reasons*

The Notes may be redeemed, at the option of the Issuer or a Surviving Person, in whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders (in accordance with Condition 15) and in writing to the Trustee and the Principal Paying Agent (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to (but not including) the date fixed by the Issuer or the Surviving Person, as the case may be, for redemption (the "**Tax Redemption Date**") if the Issuer or the Surviving Person, as the case may be, satisfies the Trustee immediately prior to the giving of such notice that (i) as a result of:

(i) any change in, or amendment to, the statutes, regulations or official administrative guidance having the force of law of any governmental authority, of a Relevant Taxing Jurisdiction affecting taxation; or

(ii) any change in, or amendment to the application or official interpretation of such statutes, regulations, rulings or official administrative guidance having the force of law of any governmental authority (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment becomes effective, with respect to the Issuer, on or after the Original Issue Date, or with respect to a Surviving Person organised or resident for tax purposes in a jurisdiction that is not the Issuer's or the Subsidiary Guarantor's Relevant Taxing Jurisdiction as of the Original Issue Date, on or after the date such Surviving Person becomes a Surviving Person, with respect to any payment due or to become due under the Notes, the Issuer, any Subsidiary Guarantor, a Surviving Person, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and (ii) such requirement cannot be avoided by the taking of reasonable measures by the Issuer, such Subsidiary Guarantor, or a Surviving Person, as the case may be; *provided* that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Issuer, any Subsidiary Guarantor or a Surviving Person, as the case may be, would be obliged to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Issuer or a Surviving Person, as the case may be, will deliver to the Trustee at least 30 days but not more than 60 days before a redemption date:

(I) an Officers' Certificate stating that such change or amendment referred to in the prior paragraph of this Condition 6(c) has occurred, describing the facts related thereto and certifying that such requirement cannot be avoided by the Issuer, the Subsidiary Guarantor or a Surviving Person, as the case may be, by taking reasonable measures available to it; and

(II) an Opinion of Counsel or an opinion of a tax consultant of recognised standing with respect to tax matters of the Issuer's, Subsidiary Guarantor's or a Surviving Person's Relevant Taxing Jurisdiction (as the case may be), stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph of this Condition 6(c).

The Trustee shall be entitled (but not obliged) to accept and rely on such Officers' Certificate and opinion without investigation as sufficient evidence of the satisfaction of the conditions precedent described in this Condition 6(c), in which event the same will be conclusive and binding on the Issuer, all Subsidiary Guarantor(s), all Surviving Person(s) and all Holders and the Trustee shall be protected and shall have no liability to the Issuer, any Subsidiary Guarantor, any Noteholder or any other person for so accepting and relying on such Officers' Certificate and Opinion of Counsel or, as the case may be, such opinion of a tax consultant.

(d) *Repurchase of Notes Upon a Change of Control Triggering Event*

Not later than 30 days following a Change of Control Triggering Event, the Issuer will make an Offer to Purchase all outstanding Notes (a "**Change of Control Offer**") at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date (as defined in paragraph (b) of the definition of "**Offer to Purchase**").

The Issuer agrees that, following a Change of Control, it will timely repay all Indebtedness or obtain consents as necessary under, or terminate, agreements or instruments that would otherwise prohibit a Change of Control Offer required to be made pursuant to these Conditions and the Trust Deed.

Notwithstanding this agreement of the Issuer, it is important to note that if the Issuer is unable to repay (or cause to be repaid) all of the Indebtedness, if any, that would prohibit repurchase of the Notes or is unable to obtain the requisite consents of the holders of such Indebtedness, or terminate any agreements or instruments that would otherwise prohibit a Change of Control Offer, it would continue to be prohibited from purchasing the Notes. In that case, the failure by the Issuer to purchase tendered Notes would constitute an Event of Default.

Certain of the events constituting a Change of Control Triggering Event under the Notes may also constitute an event of default under certain other debt instruments. Future debt of the Issuer may also (i) prohibit the Issuer from purchasing Notes in the event of a Change of Control Triggering Event, (ii) provide that a Change of Control Triggering Event is a default, or (iii) require repurchase of such debt upon a Change of Control Triggering Event. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Notes could cause a default under other indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of the purchase on the Issuer. The ability of the Issuer to pay cash to the Holders following the occurrence of a Change of Control Triggering Event may be limited by the Issuer's then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "Risk Factors – Risks Relating to the Notes and the Structure – The Issuer may not be able to repurchase the Notes upon a change of control.".

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (i) a third party makes such an offer substantially in the same manner as, and at the times and in compliance with, the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Notes properly tendered and not withdrawn under its offer or (ii) notice of redemption has been given pursuant to these Conditions as described above under Condition 6(b) unless and until there is a default in payment of the redemption price.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other security laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of these Conditions, the Issuer will comply with the applicable security laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of these Conditions by virtue of such compliance.

The definition of "Change of Control" (as set out in Condition 19) includes a phrase "all or substantially all" with respect to the assets of the Issuer. No precise definition of the phrase has been established under applicable law, and the phrase will likely be interpreted under applicable law of the relevant jurisdictions based on particular facts and circumstances. Accordingly, there may be a degree of uncertainty as to the ability of a Holder to require the Issuer to repurchase such Holder's Notes as a result of a sale of less than all the assets of the Issuer to another Person or group.

Except as described above in this Condition 6(d) with respect to a Change of Control Offer, these Conditions and the Trust Deed do not contain any provisions that permit the Holders to require that the Issuer purchase or redeem the Notes in the event of a takeover, recapitalisation or similar transaction.

(e) *Purchases*

The Issuer and its Affiliates may at any time and from time to time purchase Notes in the open market or otherwise at any price, subject to applicable law. The Issuer shall promptly notify the Trustee of any such purchases of Notes by the Issuer or its Affiliates.

The Notes so purchased, while held by or on behalf of the Issuer or any of its Affiliates shall not entitle the Holder thereof to vote at any meetings of the Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Holders or for the purposes of Condition 12(a) or for any other purpose described in the proviso to the definition of "outstanding" set out in the Trust Deed.

(f) *Cancellation*

All Notes purchased by the Issuer or any of its Affiliates may be cancelled at the discretion of the Issuer. Notes may be surrendered for cancellation by surrendering the Certificates representing such Notes to the Registrar and, if so surrendered, the same shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of the Notes represented thereby shall be discharged immediately upon cancellation of the relevant Certificates.

(g) *Notice of redemption*

All Notes in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date, in such place and in such manner as specified in such notice in accordance with this Condition. If there is more than one notice of redemption given in respect of any Note, the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or Offer to Purchase and none of them shall be liable to Holders, the Issuer, any Subsidiary Guarantor or any other person for not doing so.

7 PAYMENTS

(a) *Method of Payment*:

(i) Payments of principal and interest shall be made (subject to surrender of the relevant Certificates at the specified office of any Paying Agent or of the Registrar if no further payment falls to be made in respect of the Notes represented by such Certificates) in the manner provided in Condition 7(a)(ii).

(ii) Interest on each Note shall be paid to the person shown as the Holder on the Register at the close of business on the 15th business day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Note shall be made in U.S. dollars by transfer to the registered account of the Holder.

*So long as the Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(iii) For the purposes of this Condition 7, a Holder's "**registered account**" means the U.S. dollar account maintained by or on behalf of it with a bank that processes payments in U.S. dollars, details of which appear on the Register at the close of business on the Record Date.

(iv) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Holder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of an interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of the interest so paid.

(b) *Payments subject to Fiscal Laws*: All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Holders in respect of such payments.

(c) *Payment Initiation*: Payment instructions (for value the due date, or if that is not a business day, for value the first following day which is a business day) will be initiated on the due date for payment (or, if that date is not a business day, on the first following day which is a business day) or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any Paying Agent or of the Registrar, on the first day on which the Principal Paying Agent is open for business and on or following which the relevant Certificate is surrendered.

(d) *Appointment of Agents*: The Agents initially appointed by the Issuer and their respective specified offices are listed below. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Agent and to appoint additional or other Agents, provided that:

(i) there will at all times be a Principal Paying Agent and a Calculation Agent;

(ii) there will at all times be a Registrar which will maintain the Register; and

(iii) so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore.

Notice of any such change or any change of any specified office shall promptly be given by the Issuer to the Holders in accordance with Condition 15.

(e) *Delay in Payment*: Holders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a business day or if the Holder is late in surrendering or cannot surrender its Certificate (if required to do so).

(f) *Non-Business Days*: If any date for payment in respect of any Note is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment.

8 TAXATION

(a) *Payment without Withholding*: All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any of the Relevant Jurisdictions, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts ("**Additional Tax Amounts**") as may be necessary in order that the net amounts received by the Holders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction, except that no Additional Tax Amounts shall be payable in relation to any payment in respect of any Notes:

(i) *other connection*: to a Holder (or a third party on behalf of a Holder) who is liable to the Taxes in respect of the Notes by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Notes; or

(ii) *presentation more than 30 days after the Relevant Date*: if the Certificate in respect of such Note is presented for payment more than 30 days after the Relevant Date (as defined in Condition 19) except to the extent that a Holder would have been entitled to Additional Tax Amounts on presenting the same for payment on the last day of the period of 30 days assuming (whether or not such is in fact the case) that day to have been a business day); or

(iii) *lawful avoidance of withholding*: if the Certificate in respect of such Note is presented for payment by or on behalf of a Holder who, at the time of such presentation, is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption and who does not make such declaration or claim.

(b) *Additional Tax Amounts*: Any reference in these Conditions to principal of, and premium (if any) and interest on the Notes or under any Subsidiary Guarantee shall be deemed to include any Additional Tax Amounts in respect of such principal, premium or interest which may be payable under this Condition 8 or any undertaking given in addition to or in substitution of this Condition 8 pursuant to the Trust Deed.

(c) *Trustee/Agents not responsible*: Neither the Trustee nor any Agent shall in any event be responsible for paying any tax, duty, withholding, assessment, governmental charge or other payment referred to in this Condition 8 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Subsidiary Guarantor, the Holders or any other person to pay such tax, duty, withholding, assessment, governmental charge or other payment in any jurisdiction or be responsible or liable to provide any notice or information in relation to the Notes in connection with payment of such tax, duty, withholding, assessment, governmental charge or other payment.

9 EVENTS OF DEFAULT

With respect to the Notes, the occurrence and continuance (as defined in the Trust Deed) of the following events will constitute an event of default (each an "**Event of Default**"):

(a) *Non-Payment*: the Issuer fails to pay interest on any of the Notes within 10 calendar days of the due date or failure to pay the principal amount thereof or any other amount thereon when due; or

(b) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed, which default is not remedied within 45 days after notice of such default shall have been given to the Issuer by the Trustee; or

(c) *Cross-Acceleration*: (i) any other present or future Indebtedness of the Issuer or any of its Subsidiaries, or UPL Limited or any of its Subsidiaries, shall have been accelerated so that the same becomes due and payable prior to its stated maturity by reason of a default, and such acceleration shall not be rescinded or annulled (by reason of a remedy, cure or waiver thereof with respect to the default upon which such acceleration is based) within 21 days after such acceleration, or (ii) any such Indebtedness is not paid when due or, as the case may be, within any applicable grace period originally provided for, or (iii) the Issuer or any of its Subsidiaries, or UPL Limited or any of its Subsidiaries, fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any indebtedness for borrowed money, *provided* that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds U.S.$50.0 million (or the Dollar Equivalent thereof); or

(d) *Enforcement Proceedings*: one or more final judgments or orders for the payment of money are rendered against the Issuer or any of its Subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$50.0 million (or the Dollar Equivalent thereof) (in excess of amounts that reputable insurance carriers have agreed in writing to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect; or

(e) *Insolvency*: the Issuer or any of its Material Subsidiaries is declared by a court of competent jurisdiction to be insolvent, bankrupt or unable to pay its debts, or stops, suspends or threatens to stop or suspend payment of all or a material part of its debts as they mature, or applies for, or consents to or suffers the appointment of an administrator, liquidator or receiver or other similar person in respect of the Issuer or any of its Material Subsidiaries or over the whole or any material part of any of their undertaking, property, assets or revenues pursuant to an insolvency law and such appointment is not discharged or stayed within 60 days of its taking effect or takes any proceeding under any law for a readjustment or deferment of its obligations or any part of them or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors, except in any such case for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation not otherwise prohibited under the Notes and the Trust Deed; or

(f) *Winding-up*: an order of a court of competent jurisdiction is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries ceases to carry on all or substantially all of its business or operations, except in any such case for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation not otherwise prohibited under the Notes and the Trust Deed; or

(g) *Nationalisation:* any Governmental authority or agency compulsorily purchases or expropriates all or a substantial part of the assets of the Issuer or any of its Material Subsidiaries without fair compensation; or

(h) *Analogous Events:* any event occurs, which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in Condition 9(e) and Condition 9(f) above; or

(i) *Unenforceability*: any Subsidiary Guarantor denies or disaffirms its obligations under its Guarantee or, except as permitted by these Conditions and the Trust Deed, any Subsidiary Guarantee is determined in any judicial proceeding to be unenforceable or invalid or will for any reason cease to be in full force and effect.

If an Event of Default (other than any Event of Default specified in Condition 9(e) or Condition 9(f) above) occurs and is continuing, the Trustee at its discretion may, and if so requested by Holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in any such case to the Trustee having been pre-funded and/or secured and/or indemnified to its satisfaction), declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If any Event of Default specified in Condition 9(e) or Condition 9(f) above occurs, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of more than 50 per cent. in aggregate principal amount of the outstanding Notes may, by written notice to the Trustee, direct the Trustee to waive on behalf of all Holders all past defaults and rescind and annul a declaration of acceleration and its consequences if:

(i) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived; and

(ii) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, all such past defaults will for all purposes cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other default or impair any right consequent thereon.

If an Event of Default occurs and is continuing (as defined in the Trust Deed), the Trustee may (but shall not be obligated to) pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of, premium (if any) and interest on the Notes or to enforce the performance of any provision of the Notes or the Trust Deed. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

The Holders of more than 50 per cent. in aggregate principal amount of the outstanding Notes may direct the time, method and place of taking any steps and/or actions and/or conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee to enforce payment of the principal of, premium (if any) and interest on the Notes. However, the Trustee may refuse to follow any direction that conflicts with applicable law or the Trust Deed, or that may in the opinion of the Trustee involve the Trustee in any liability, or that the Trustee determines may be unduly prejudicial to the rights of Holders not joining in the giving of such direction, or where the Trustee shall not have been indemnified and/or secured and/or pre-funded to its satisfaction, and the Trustee may take any other action it deems appropriate that is not inconsistent with any such direction received from Holders. A Holder may not pursue any remedy with respect to the Trust Deed or the Notes unless:

(A) the Holder has previously given the Trustee written notice of a continuing Event of Default;

(B) the Holders of at least 25 per cent. in aggregate principal amount of outstanding Notes make a written request to the Trustee to, or the Trustee is directed by an Extraordinary Resolution to, pursue the remedy;

(C) such Holder or Holders or any other person or persons acting on behalf of such Holder or Holders provide the Trustee with pre-funding and/or indemnity and/or security satisfactory to the Trustee against any costs, liability or expense which in the opinion of the Trustee will or may be incurred in compliance with such written request or, as the case may be, the direction contained in such Extraordinary Resolution;

(D) the Trustee does not comply with the request or, as the case may be, the direction contained in such Extraordinary Resolution within 60 days after the later of (I) receipt of the request or, as the case may be, the passing of such Extraordinary Resolution and (II) the provision to the Trustee of pre-funding and/or indemnity and/or security to its satisfaction; and

(E) during such 60-day period, the Holders of more than 50 per cent. in aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

Officers of the Issuer (who must also be Authorised Signatories of the Issuer) must certify to the Trustee in writing, substantially in the form set out in the Trust Deed, on or before a date not more than 120 days after the end of each fiscal year (and also as soon as possible and in any event within 14 days of any request in writing from the Trustee), that a review has been conducted of the activities of the Issuer and the Subsidiaries and the Issuer's and the Subsidiaries' performance under the Trust Deed and that the Issuer and each Subsidiary Guarantor has fulfilled all of their respective obligations thereunder and there has been no default, Default or Event of Default in the fulfilment of any such obligation, or, if there has been such a default, Default or Event of Default, specifying each such default, Default or Event of Default and the nature and status thereof. The Issuer will also be obliged to notify the Trustee forthwith in writing as soon as possible and in any event within 30 days after the Issuer becomes aware of the occurrence thereof, any default, Default or Event of Default upon the Issuer or any of its Subsidiaries, as the case may be, after becoming aware of such default, Default or Event of Default.

10 PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or any Transfer Agent from time to time designated by the Issuer for that purpose and notice of whose designation is given to Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12 MEETINGS OF HOLDERS, MODIFICATION, SUBSTITUTION OR VARIATION AND ENTITLEMENT OF TRUSTEE

(a) *Meetings of Holders*: The Trust Deed contains provisions for convening meetings of the Holders to consider any matter affecting their interests, including without limitation the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing by Holders holding not less than 10 per cent. in aggregate principal amount of the Notes for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any meeting for passing an Extraordinary Resolution will be two or more persons present holding or representing more than 50 per cent. in aggregate principal amount of the Notes for the time being outstanding, or at any adjourned such meeting two or more persons present whatever the aggregate principal amount of the Notes held or represented by him or them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, including consideration of proposals, *inter alia*:

(i) to modify the due date for any payment in respect of the Notes;

(ii) to reduce or cancel the principal amount of, or interest or premium payable on or to vary the method of calculating any premium payable in respect of the Notes or to reduce the Interest Rate on, the Notes;

(iii) to change the currency, time or place of payment of principal of, or premium, if any, or interest on, the Notes;

(iv) to impair the contractual right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the redemption date) of any Note;

(v) to modify the provisions concerning the quorum required at any meeting of Holders or the majority required to pass an Extraordinary Resolution;

(vi) to waive a default in the payment of principal of, premium, if any, or interest on the Notes;

(vii) to reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Trust Deed or for waiver of certain defaults;

(viii) to reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale, or change the time or manner by which a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sales may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale;

(ix) to release any Subsidiary Guarantor from its Subsidiary Guarantee, except as provided in these Conditions and the Trust Deed;

(x) to change the redemption date or the redemption price of the Notes from that stated in Condition 6;

(xi) to amend, change or modify the obligation of the Issuer to pay Additional Amounts;

(xii) to amend, change or modify any provision of the Trust Deed and/or these Conditions or the related definitions to contractually subordinate in right of payment the Notes or any Subsidiary Guarantee to any other Indebtedness of the Issuer or any Subsidiary Guarantor; or

(xiii) to alter this proviso,

(each a "**Reserved Matter**"), the necessary quorum for passing an Extraordinary Resolution will be two or more persons present holding or representing not less than 66 2/3 per cent., or at any adjourned such meeting not less than 33 1/3 per cent., of the aggregate principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any quorate meeting of the Holders will be binding on all Holders, whether or not they are present at the meeting.

The Trust Deed provides that (A) a resolution in writing signed by or on behalf of the Holders of not less than 66 2/3 per cent. in aggregate principal amount of the Notes for the time being outstanding (which written resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders) or (B) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the Holders of not less than 66 2/3 per cent. in aggregate principal amount of the Notes for the time being outstanding shall, in each case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Holders duly convened and held.

(b) *Modification, Waiver, Authorisation and Determination*: The Trustee may agree (but is not obliged to agree), without the consent of the Holders, to:

(i) any modification of any of these Conditions and/or any of the provisions of the Trust Deed and/or the Agency Agreement that in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and

(ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions and/or any of the provisions of the Trust Deed and/or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Holders.

Any such modification, authorisation or waiver shall be binding on the Holders and, unless the Trustee otherwise permits, such modification, authorisation or waiver shall be notified by the Issuer to the Holders as soon as practicable.

(c) *Entitlement of the Trustee*: In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 12), the Trustee shall have regard to the interests of the Holders as a class and shall not have regard to the consequences of such exercise for individual Holders and the Trustee shall not be entitled to require on behalf of any Holder, nor shall any Holder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax or other consequence of any such exercise upon individual Holders.

13 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including without limitation, provisions relieving it from taking steps, actions and/or proceedings to enforce its rights under the Trust Deed, the Agency Agreement and/or these Conditions and in respect of the Notes and payment or taking other actions unless first indemnified and/or secured and/or pre-funded to its satisfaction and to be paid or reimbursed for any fees, costs, expenses and indemnity payments and for liabilities incurred by it in priority to the claims of Holders.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*:

(a) to enter into business transactions with the Issuer and/or any entity related (directly or indirectly) to the Issuer and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any entity related (directly or indirectly) to the Issuer;

(b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Holders; and

(c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trustee may rely without liability to Holders, the Issuer, any Subsidiary Guarantor or any other person on any report, information, opinion, confirmation or certificate or any advice of any accountants, legal advisers, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, information, opinion, confirmation, certificate or advice, in which case such report, information, opinion, confirmation, certificate or advice shall be binding on the Issuer, any Subsidiary Guarantor and the Holders.

Neither the Trustee nor any of the Agents shall have any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or to monitor or take any steps to ascertain whether any of the events and/or circumstances described in Condition 9 has occurred, and none of them shall be responsible or liable to the Issuer, any Subsidiary Guarantor, the Holders or any other person for not doing so.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, any Subsidiary Guarantor and/or any other person appointed by the Issuer and/or any Subsidiary Guarantor in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Holder, the Issuer, any Subsidiary Guarantor or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Holders. The Trustee shall be entitled to rely on any direction, request or resolution of Holders given or passed by Holders holding the requisite principal amount of Notes outstanding or passed at a meeting of Holders convened and held in accordance with the Trust Deed.

Each Holder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and its Subsidiaries, and the Trustee shall not at any time have any responsibility for the same and each Holder shall not rely on the Trustee in respect thereof.

14 FURTHER ISSUES

Subject to the covenants in Condition 4, the Issuer may from time to time without the consent of the Holders create and issue further Notes (the "**Additional Notes**") having the same terms and conditions as the Notes (including the benefit of any Subsidiary Guarantees) in all respects (or in all respects except for the issue date, the issue price and the date of the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions) so that such Additional Notes may be consolidated and form a single series with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes. Such Additional Notes will be constituted by a deed supplemental to the Trust Deed. References in these Conditions to the Notes include (unless the context requires otherwise) any Additional Notes issued pursuant to this Condition 14 and consolidated and forming a single series with the Notes.

15 NOTICES

Notices to the Holders will be valid if mailed to them at their respective addresses in the Register or published in a leading newspaper having general circulation in Singapore or, if such publication shall not be practicable, in a daily newspaper with general circulation in Asia selected by the Issuer. It is expected that such publication will normally be made in the *Asian Wall Street Journal*. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any notice shall be deemed to have been given on the fourth day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, notices to Holders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg for communication by it to the entitled accountholders in substitution for notification as required by these Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

16 ENFORCEMENT

The Trustee may at its discretion and without notice to the Issuer or any Subsidiary Guarantor take and/or institute such steps and/or actions and/or proceedings, as the case may be, against the Issuer and/or any Subsidiary Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or any Subsidiary Guarantor under the Trust Deed, these Conditions and/or the Notes but it need not take any such steps and/or actions and/or initiate any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Holders holding at least 25 per cent. in aggregate principal amount of the Notes then outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect the rights of Holders as contemplated in these Conditions or any right or remedy of any person which exists or is available apart from that Act.

18 GOVERNING LAW AND SUBMISSION TO JURISDICTION

(a) *Governing Law*: The Trust Deed, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) *Submission to Jurisdiction*:

(i) The Issuer has in the Trust Deed agreed, for the benefit of the Trustee and the Holders, that the English courts are to have jurisdiction to settle any dispute arising out of or in connection with the Trust Deed and/or the Notes, including any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Notes, and accordingly any suit, action or proceedings (together referred to as "**Proceedings**") obligations arising out of or in connection with the Trust Deed and/or the Notes may be brought in such courts.

(ii) The Issuer has in the Trust Deed irrevocably waived any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and has further irrevocably agreed in the Trust Deed that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

(iii) To the extent allowed by law, nothing shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) *Appointment of Process Agent*: The Issuer has, in the Trust Deed, appointed UPL Europe Ltd at its registered office at First Floor, The Centre, Birchwood Park, Warrington, Cheshire, WA3 6YN, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Proceedings, and has agreed that, in the event that UPL Europe Ltd ceases to be able or to be willing for any reason so to act, it will immediately appoint another person as its agent for service of process in England and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. The Issuer has agreed that failure by a process agent to notify it of any process will not invalidate service and that nothing in the Trust Deed or these Conditions shall affect the right to serve process in any other manner permitted by law.

19 DEFINITIONS

In these Conditions:

"**Additional Tax Amounts**" has the meaning set out in Condition 8(a).

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"**Asset Sale**" means any sale, transfer or other disposition (including by way of merger, consolidation or Sale and Leaseback Transaction) of any of its property or assets (including any sale or issuance of Capital Stock by a Subsidiary) in one transaction or a series of related transactions by the Issuer or any of its Subsidiaries to any Person other than the Issuer or any of its Subsidiaries; provided that "Asset Sale" will not include:

(a) sales, transfers or other dispositions of inventory, receivables and other current assets in the ordinary course of business;

(b) any sale, transfer or other disposition of any property or equipment that has become damaged, worn out, obsolete, unused, unuseful or otherwise unsuitable for use in connection with the business of the Issuer or its Subsidiaries;

(c) any transfer or other disposition deemed to occur in connection with creating or granting any Security Interest;

(d) any sales, transfers or other dispositions of assets in any period of 12 consecutive months with an aggregate fair market value not in excess of 4% of Consolidated Total Assets (determined as of the last date of the most recent semi-annual or annual period for which a consolidated statement of financial position of the Issuer is available (which may be an internal consolidated statement of financial position) prior to the commencement of such 12-month period); or

(e) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of any factoring or similar arrangements.

"**Attributable Indebtedness**" means, in respect of a Sale and Leaseback Transaction, at the time of determination, the present value, discounted at the interest rate implicit in such Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended, determined in accordance with IFRS.

"**Authorised Signatory**" has the meaning set out in the Trust Deed.

"**Board of Directors**" means the board of directors elected or appointed by the stockholders of the Issuer to manage the business of the Issuer or any committee of such board duly authorised to take the action purported to be taken by such committee.

"**Board Resolution**" means any resolution of the Board of Directors taking an action which it is authorised to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution in lieu of a meeting executed by every member of the Board of Directors.

"**business day**" means:

(a) in respect of Condition 2(b), a day, other than a Saturday, Sunday or public holiday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be);

(b) in respect of the definitions of "Comparable Treasury Price" and "Offer to Purchase" below, any day, excluding a Saturday, a Sunday and a public holiday, on which banks are open for general business (including dealings in foreign currencies) in Mauritius, London and New York City; and

(c) in respect of Condition 7 and Condition 8, a day (other than a Saturday, a Sunday or public holiday) on which banks and foreign exchange markets are open for business in the place in which the specified office of the Registrar is located and, in the case of presentation of a Certificate, in the place in which the Certificate is presented and where payment is to be made by transfer to a registered account, on which banks are open for general business and foreign exchange transactions may be carried on in U.S. dollars in New York City and in the place of the specified office of the Principal Paying Agent.

"**Capital Stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Original Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

"**Certificates**" has the meaning set out in Condition 1.

"**Capitalised Lease**" means, with respect to any Person, any lease of any property (whether real, personal or mixed), which, in conformity with IFRS, is required to be capitalised on the statement of financial position of such Person.

"**Capitalised Lease Obligations**" means the discounted present value of the rental obligations under a Capitalised Lease.

"**Change of Control**" means the occurrence of one or more of the following events:

(a) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer (calculated on a consolidated basis) to any Person other than one or more Permitted Holders;

(b) the Issuer ceases to be a Subsidiary of UPL Limited, including any entity with or into which UPL Limited is merged or consolidated;

(c) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, acquires Control, directly or indirectly, of UPL Limited; or

(d) the Permitted Holders are the "beneficial owners" (as such term is used in Rule 13d-3 of the Exchange Act) of less than 20% of the total voting power of the Voting Stock of UPL Limited.

"**Change of Control Triggering Event**" means the occurrence of both a Change of Control and a Rating Decline.

"**Common Stock**" means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding on the Original Issue Date, and includes, without limitation, all series and classes of such common stock or ordinary shares but excludes any debt securities convertible into Common Stock, whether or not such debt securities include any right of participation with Common Stock.

"**Comparable Treasury Issue**" means the U.S. Treasury security having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes from the redemption date to 16 June 2030.

"**Comparable Treasury Price**" means, with respect to any redemption date:

(a) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third business day preceding such redemption date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities;" or

(b) if such release (or any successor release) is not published or does not contain such prices on such business day, (i) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (ii) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"**Consolidated Total Assets**" means, as of any date, the consolidated total assets of the Issuer and its Subsidiaries measured in accordance with IFRS as of the last date of the most recent semi-annual or annual period for which consolidated financial statements of the Issuer (which the Issuer shall use its commercially reasonable efforts to compile in a timely manner) are available (which may be internal consolidated financial statements); *provided* that Consolidated Total Assets shall be calculated after giving pro forma effect to any acquisitions or dispositions that occur after such period and on or prior to the date of determination as determined in good faith by the Issuer;

"**Control**" means (a) the acquisition or control of more than 35% of the voting power of the Voting Stock of UPL Limited or (b) the right to appoint and/or remove all or the majority of the members of UPL Limited's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Stock, contract or otherwise, and "controlled" shall be construed accordingly.

"**Default**" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"**Disqualified Stock**" means any class or series of Capital Stock of any Person that by its terms or otherwise is (a) required to be redeemed on or prior to the date that is 366 days after the stated maturity of the Notes, (b) redeemable at the option of the holder of such class or series of Capital Stock on or prior to the date that is 366 days after the stated maturity of the Notes or (c) convertible into or exchangeable for Capital Stock referred to in (a) or (b) above of this definition or Indebtedness having a scheduled maturity on or prior to the date that is 366 days after the stated maturity of the Notes.

"**Dollar Equivalent**" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Extraordinary Resolution**" has the meaning given to it in the Trust Deed.

"**Fitch**" means Fitch Ratings Ltd or any of its subsidiaries and their successors.

"**Group**" means the Issuer and its Subsidiaries.

"**guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); *provided* that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning.

"**Holder**" or "**holder**" has the meaning set out in Condition 1.

"**IFRS**" means International Financial Reporting Standards as in effect from time to time.

"**Incur**" means, with respect to any Indebtedness, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness; *provided* that (a) any Indebtedness of a Person existing at the time such Person becomes a Subsidiary of another Person will be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary of such other Person and (b) the accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness (to the extent provided for when the Indebtedness on which such interest is paid was originally issued) will not be considered an Incurrence of Indebtedness. The terms "Incurrence", "Incurred" and "Incurring" have meanings correlative with the foregoing.

"**Indebtedness**" means, with respect to any Person, any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (a) any notes, bonds, debentures, debenture stock, loan stock or other securities issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash or (b) any borrowed money or (c) any liability under or in respect of any acceptance or acceptance credit or (d) all Capitalised Lease Obligations and any Attributable Indebtedness.

"**Interest Payment Date**" has the meaning set out in Condition 5(a).

"**Interest Rate**" has the meaning set out in Condition 5(a).

"**Investment Company Act**" means the U.S. Investment Company Act of 1940, as amended.

"**Investment Grade**" means a rating of "AAA", "AA", "A" or "BBB", as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest overall rating categories, by S&P or any of its successors or assigns or a rating of "Aaa", "Aa", "A" or "Baa", as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest overall rating categories, by Moody's, or any of its successors or assigns or assigns; a rating of BBB- or better by Fitch, or any of its successors or assigns; or the equivalent ratings of any internationally recognised rating agency or agencies, as the case may be, which will have been designated by the Issuer as having been substituted for S&P, Moody's or Fitch or both, as the case may be.

"**Material Subsidiary**" means with respect to any Person, any Subsidiary of such Person whose revenue or assets (or in the case of a Subsidiary that has Subsidiaries, consolidated revenue or consolidated assets) is at least 7.5% of the consolidated revenue or consolidated assets, as applicable, of such Person, all as calculated without duplication in accordance with IFRS by reference to the consolidated financial statements of such Person and its Subsidiaries most recently available before the time when the determination is being made.

"**Moody's**" means Moody's Investors Service, Inc., or any of its subsidiaries and their successors;

"**Net Cash Proceeds**" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of:

(a) brokerage commissions and other fees and expenses (including fees and expenses of counsel and investment banks) related to such Asset Sale;

(b) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the consolidated results of operations of the Issuer and its Subsidiaries, taken as a whole;

(c) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (i) is secured by a Security Interest on the property or assets sold, or (ii) is required to be paid as a result of such sale; and

(d) appropriate amounts to be provided by the Issuer or any of its Subsidiaries as a reserve against any liabilities associated with such Asset Sale, including pension and other postemployment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with IFRS.

"**Offer to Purchase**" means an offer to purchase the Notes by the Issuer from the Holders commenced by the Issuer mailing a notice by first class mail, postage prepaid, to the Trustee, the Paying Agent and each Holder at its last address appearing in the Note register stating:

(a) the provision of these Conditions pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment on a *pro rata* basis;

(b) the purchase price and the date of purchase (which shall be a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "Offer to Purchase Payment Date");

(c) that any Note not tendered will continue to accrue interest pursuant to its terms;

(d) that, unless the Issuer defaults in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest on and after the Offer to Purchase Payment Date;

(e) that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled "Option of the Holder to Elect Purchase" on the reverse side of the Note completed, to the Paying Agent at the address specified in the notice prior to the close of business on the business day immediately preceding the Offer to Purchase Payment Date;

(f) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the third business day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased; and

(g) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; *provided* that each Note purchased and each new Note issued shall be in a principal amount of U.S.$200,000 or integral multiples of U.S.$1,000 in excess thereof.

On the business day prior to the Offer to Purchase Payment Date, the Issuer shall deposit with the Paying Agent immediately available and cleared funds sufficient to pay the purchase price of all Notes or portions thereof so accepted. On the Offer to Purchase Payment Date, the Issuer shall (i) accept for payment on a *pro rata* basis Notes or portions thereof tendered pursuant to an Offer to Purchase; and (ii) deposit with the Paying Agent immediately available and cleared funds sufficient to pay the purchase price of all Notes or portions thereof so accepted; and (iii) deliver, or cause to be delivered, to the Trustee all Notes or portions thereof so accepted together with an Officers' Certificate specifying the Notes or portions thereof accepted for payment by the Issuer. The Paying Agent shall promptly mail to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Trustee shall promptly authenticate and mail to such Holders a new Note equal in principal amount to any unpurchased portion of the Note surrendered; *provided* that each Note purchased and each new Note issued shall be in a principal amount of U.S.$200,000 or integral multiples of U.S.$1,000 in excess thereof. The Issuer will publicly announce the results of an Offer to Purchase as soon as practicable after the Offer to Purchase Payment Date.

The materials used in connection with an Offer to Purchase are required to contain or incorporate by reference information concerning the business of the Issuer which the Issuer in good faith believes will assist such Holders to make an informed decision with respect to the Offer to Purchase, including a brief description of the events requiring the Issuer to make the Offer to Purchase, and any other information required by applicable law to be included therein. The offer is required to contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase.

"**Officer**" means one of the executive officers of the Issuer.

"**Officers' Certificate**" means a certificate signed by two Officers each of whom must also be Authorised Signatories of the Issuer.

"**Opinion of Counsel**" means a written opinion from legal counsel acceptable to the Trustee, addressed to the Trustee, in form and substance acceptable to the Trustee, and that meets the requirements of the Trust Deed.

"**Permitted Holders**" means: (a) Rajju D Shroff, Jai Shroff, Vikram Shroff and each of their immediate family members and (b) any of their respective Affiliates (including any entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding in the aggregate a majority (and controlling) interest of which consist of any one or more Persons referred to in (a) of this definition), executors or administrators.

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof.

"**Preferred Stock**" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its terms is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over any other class of Capital Stock of such Person.

"**Priority Indebtedness**" means without duplication (a) any Indebtedness of any Subsidiary of the Issuer(other than a Subsidiary Guarantor), and (b) any Secured Indebtedness of the Issuer or a Subsidiary Guarantor, and in each case of (a) and (b), other than Indebtedness owed to the Issuer or any of its Subsidiaries (including a Subsidiary Guarantor).

"**Rating Agency**" means Fitch, Moody's or S&P or any of their respective affiliates or successors or any rating agency substituted for any of them by the Issuer (a "**Substitute Rating Agency**") from time to time with the prior written notification to the Trustee;

"**Rating Category**" means:

(a) with respect to S&P, any of the following categories: "BB", "B", "CCC", "CC", "C" and "D" (or equivalent successor categories);

(b) with respect to Moody's, any of the following categories: "Ba", "B", "Caa", "Ca", "C" and "D" (or equivalent successor categories);

(c) with respect to Fitch, any of the following categories: "BB", "B", "Caa", "Ca", "C" and "D" (or equivalent successor categories); and

(d) the equivalent of any such category of S&P or Moody's used by another Rating Agency.

In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "-" for S&P; "1", "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P, a decline in a rating from "BB+" to "BB," as well as from "BB-" to "B+", will constitute a decrease of one gradation).

"**Rating Date**" means in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (a) a Change of Control and (b) a public notice of the occurrence of, or the intention by the Issuer or any other Person or Persons to effect, a Change of Control.

"**Rating Decline**" means, in connection with a Change of Control Triggering Event, the occurrence on or within six months after the date of, or the date of the public notice of the occurrence of, a Change of Control or the intention by the Issuer or any other Person or Persons to effect a Change of Control (which period will be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below associated with the Change of Control:

(a) if the Notes are rated by any Rating Agency on the Rating Date as Investment Grade, the rating of the Notes by such Rating Agency shall be decreased to below Investment Grade; or

(b) if the Notes are rated below Investment Grade by any Rating Agency on the Rating Date, the rating of the Notes by such Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"**Record Date**" has the meaning set out in Condition 7(a)(ii).

"**Reference Treasury Dealer**" means each of the three nationally recognised investment banking firms selected by the Issuer that are primary U.S. Government securities dealers.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer any redemption date, the average, as determined by the Calculation Agent, of the bid and ask prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Issuer by such Reference Treasury Dealer at 5:00 p.m. (New York City time), on the relevant Calculation Date and then notified in writing by the Issuer to the Calculation Agent and the Trustee.

"**Remaining Scheduled Payments**" means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date for such redemption; *provided, however*, that, if such redemption date is not an interest payment date with respect to such Note, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to such redemption date.

"**Register**" has the meaning set out in Condition 1.

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Holders in accordance with Condition 15.

"**Relevant Jurisdiction**" means Mauritius or any political subdivision or any authority therein or thereof having power to tax to which the Issuer becomes subject in respect of payments made by it of any sums due in respect of the Notes.

"**Replacement Assets**" means, with respect to an Asset Sale, (a) properties and assets that replace the properties and assets that were the subject of such Asset Sale and properties or assets that will be used in the business of the Issuer or any of its Subsidiaries, including in each case the Capital Stock of any Person that will, upon the acquisition by the Issuer or any of its Subsidiaries of such Capital Stock, become a Subsidiary of the Issuer, or (b) any other capital expenditure relating to properties or assets of the Issuer or any of its Subsidiaries.

"**S&P**" means S&P Global Ratings, a division of S&P Global Inc. or any of its subsidiaries and their successors;

"**Sale and Leaseback Transaction**" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Issuer or any Subsidiary of the Issuer transfers such property to another Person and the Issuer or any Subsidiary of the Issuer leases it from such Person.

"**Secured Indebtedness**" means any Indebtedness of the Issuer or any Subsidiary Guarantor of the Issuer (other than the Notes and the Subsidiary Guarantees) secured by a Security Interest, including any Capitalised Lease Obligations and Attributable Indebtedness, except to the extent the Notes or any Subsidiary Guarantee are secured at least equally and rateably with the collateral securing such Indebtedness.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Security Interest**" means any pledge, mortgage, lien, charge, hypothecation, encumbrance or other security interest.

"**Stated Maturity**" means, (a) with respect to any Indebtedness, the date specified in such debt security as the fixed date on which the final instalment of principal of such Indebtedness is due and payable as set forth in the documentation governing such Indebtedness and (b) with respect to any scheduled instalment of principal of or interest on any Indebtedness, the date specified as the fixed date on which such instalment is due and payable as set forth in the documentation governing such Indebtedness.

"**Subsidiary**" means, in relation to the Issuer, any company:

(a) in which the Issuer holds a majority of the voting rights; or

(b) of which the Issuer is a member and has the right to appoint or remove a majority of the board of directors; or

(c) of which the Issuer is a member and controls a majority of the voting rights,

and includes any company which is a Subsidiary of a Subsidiary of the Issuer.

"**Treasury Rate**" means, for any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

"**Voting Stock**" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

DESCRIPTION OF THE ISSUER

Overview

The Issuer is a subsidiary of UPL, one of the leading global crop protection products companies based in India which is listed on both the National Stock Exchange of India Limited and BSE Limited. UPL was the fifth largest agrochemical company globally by revenue (on a consolidated basis with Arysta for 2019, according to IHS Markit. It is an operating company that leads the international operations of UPL through its subsidiaries across the world. The Issuer is the holding company of UPL's international operations.

Since its inception in 1993, the Issuer has expanded its production and distribution footprint through its subsidiaries internationally and now has a diversified crop protection and post-harvest solution business with an established presence and leading market position in major agricultural regions throughout the world. As of the date of this Offering Circular, the Issuer had 219 subsidiaries, 15 associates and 3 joint ventures located in countries including Argentina, Australia, Brazil, China, Colombia, France, Germany, Indonesia, Italy, Japan, Mexico, the Netherlands, Spain, Thailand, the United States and the United Kingdom. For FY2020, the Issuer's operating revenue was U.S.$4,486.81 million.

The Issuer believes it has the ability to offer a full range of solutions to its customers across the agricultural value chain resulting from the vertical integration of UPL's and its operations. The Issuer operates primarily in the post-patent segment of the crop protection market, which consists of products using technical active ingredients for which the patent has expired. The Issuer's recent acquisition of Arysta complements its offerings by offering proprietary speciality products. As opposed to operating in the post-patent segment of the crop protection market, Arysta differentiates itself by adapting its offerings to allow farmers to meet distinct local needs and by providing crop protection solutions for niche and specialty crops, products for underserved or hard-to-control pests affecting commodity grain crops, alternative application methods like seed and soil applied technologies, and bio-based products that are used as alternatives or in addition to conventional chemical applications. The Issuer's acquisition of Arysta also allows it to leverage economies of scale by increasing its procurement and R&D efficiencies, as well as consolidating its support functions, while optimizing its manufacturing footprint.

The Issuer's R&D and manufacturing centres are interconnected across its global network, each located at strategic locations, enabling it to efficiently improve its products and deliver value-added solutions on a global scale and in a cost-efficient manner. As of 31 March 2020, the Issuer has more than 13,600 products registered in more than 140 countries across 6 continents in which it operates. As of 31 March 2020, the Issuer had 29 manufacturing facilities and 10 R&D centres. In addition, the Issuer's strong R&D capabilities are reinforced by 700 R&D professionals across UPL Limited. The Group's R&D concept, "Open Innovation", allows for collaborative networks with start-ups, scientific community, research organisations, R&D companies and governments. Furthermore, the in-house research capabilities, including combinations of post-patent formulas have contributed to an ability to develop products globally, whilst the Issuer's continuing experience in providing customised and niche solutions further complements existing R&D capabilities.

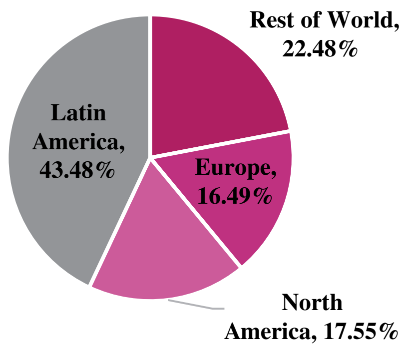
The comprehensive product portfolio of the Issuer covers the entire agricultural value chain, including seeds, seeds treatment, crop protection, storage solutions for agricultural products as well as post-harvest solutions. The Issuer has also developed extensive in-house capabilities across its process value chain, such as in R&D, product development, registration, manufacture of active ingredients, formulation and packaging to marketing and distribution, with the objective of creating innovative, differentiated and compelling product mixes. The Issuer offers a comprehensive product portfolio of crop protection products from fungicides, herbicides, insecticides and other related products. Since its inception, the Issuer has expanded its business beyond crop protection to post-harvest solutions and animal health products such as honey bee protective miticides and veterinary vaccines, among others. The Issuer believes that its products are viewed as premium products in the market and enjoy strong brand recognition.

In addition, the Issuer markets and distributes products purchased from UPL in over 140 countries through its extensive sales and marketing team, which is bolstered by its robust relationships with its distributors. In providing tailored local solutions, it has also established dedicated local marketing and commercial teams and distributes the Issuer's products through multiple sales channels consistent with local market dynamics. This "close-to-farmer" approach is critical to establishing strong customer relationships, understanding unmet needs and strengthening brand loyalty. As of 31 March 2020, the Issuer had 5,607 employees globally and had dedicated sales and marketing teams across North America, Latin America, Europe and the rest of the world (excluding India).

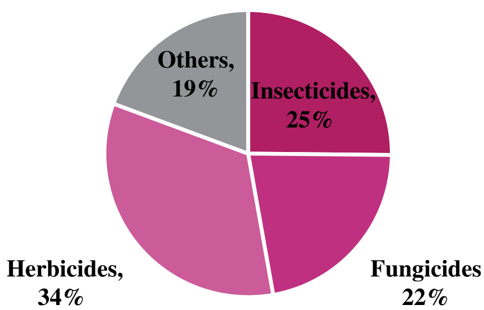
For FY2018, FY2019 and FY2020, the Issuer's total consolidated revenue from operation was U.S.$2,139.90 million, U.S.$2,602.82 million and U.S.$4,486.81 million, respectively. For FY2018, FY2019 and FY2020, its profit after tax was U.S.$206.85 million, U.S.$141.56 million and U.S.$242.35 million, respectively.

The following charts illustrate the Issuer's product and geographic diversity.

FY 20 – Revenue by Geography



FY 20 – Revenue by Products



Recent Development

The Issuer operates in an industry which is classified as "Essential Inputs" industry. The key driver for the farming activities is the weather condition globally. The demand for the Issuer's products remains strong in majority of the regions. However, there may be a muted performance on account of currency depreciation in Latin America region wherein the sales may get pushed to Q2 2020 as volatility in currency is pushing farmers buying decisions closer to farming season.

Currently, the outbreak of novel coronavirus ("**COVID-19**") pandemic has caused high level of uncertainty on the logistics/movements and man power availability due to the lockdowns and various restrictions across the country and therefore making it difficult to provide guidance on financial results of the Issuer in the near term. Currently the Issuer's factories are operational at 60% to 75% levels and it does not see any downside on from the current levels. The Issuer expects to grow at 7% to 10% for the next few years. It does not foresee any significant pushbacks apart from the risk factors highlighted in the "*Risk Factors*" section of this Offering Circular.

COVID-19

The Issuer has been and is continuing to respond to COVID-19. The outbreak of COVID-19 commenced in early 2020 and was declared a pandemic by the World Health Organisation on 11 March 2020. The governments of various countries notified lockdown to contain the outbreak of COVID-19 and there have been several restrictions imposed by the various governments across the globe on travel, goods, movement and transportation in consideration of public health and safety measures.

The Group's crop protection and seeds business has been classified as an "essential commodity", at par with essentials including medical equipment, medicine, and food chains. As of the date of this Offering Circular, all major production facilities of the Group in various parts of the globe remain in operation, following enhanced internal safety guidelines. The Group follows a multi-sourcing strategy for active ingredients and raw materials allowing the Group to hedge supply risks and ensure reliable supply. The Group also maintains strategic safety stocks to ensure availability of raw materials and formulated products. During this COVID-19 period, the Group has continued sales of their products and does not expect any material adverse impact at this point of time. Considering the liquidity position as at 31 March 2020 and expectation of cash generation from operations, the Group believes that it has ability to service debt and other financing arrangements during the current financial year.

The Group has been responding to and relentlessly fighting against COVID-19 on two fronts: (i) ensuring a stable food chain and continued food supply; and (ii) contributing to sanitisation, supplies and welfare efforts for the communities. The Group's factories are open to ensure farmers can continue generating the food chain and the Issuer is continuing to develop innovative ideas such as deploying farm sprayers for sanitisation if public spaces, transforming some of the Group's factories to manufacture hand sanitisers which are being distributed to health authorities, nurses and local communities, and engaging women self-help groups in India to manufacture cotton masks for distribution to surrounding villages and communities, as well as to local administration and local police.

The Issuer has also been implementing occupational health and safety measures and in line with government directives in countries it operates. The Issuer has implemented a business continuity plan and extra health and safety measures to minimise business disruptions while protecting the health and wellbeing of its employees. Such measures undertaken by the Issuer include implementing working from home arrangements for its employees and providing continual updates to its employees on the latest developments.

Competitive Strengths

The Issuer believes that a number of factors have contributed to and will continue to drive its growth, including the following. The Issuer believes that it is well-positioned in the industry to deliver sustainable growth and stable margins as a result of these strengths.

Leading market position in growing crop protection industry

The Issuer's parent company, UPL, was the ninth largest crop protection products company globally by revenue for 2018, according to IHS Markit. With the Issuer's recent acquisition of Arysta, its global position in terms of revenue has improved from ninth in 2018 to fifth in 2019 (on a consolidated basis with Arysta). The Issuer believes that UPL's market position has provided the Issuer with leverage with its suppliers, distributors and customers, thereby helping the Issuer preserve its margins. The Issuer accounts for the majority of the international sales of UPL. For FY2020, its consolidated operating revenue was U.S.$4,486.81 million. As of 31 March 2020, it held more than 13,600 registrations out of UPL's 15,149 registrations and operated 29 manufacturing plants out of UPL's 44 manufacturing plants. For FY2018, FY2019 and FY2020, the Issuer generated EBITDA of U.S.$392.81 million, U.S.$417.05 million and U.S.$779.21 million, respectively.

The Issuer believes its strong geographical diversification and presence in emerging markets (including Latin America) have helped to capitalise on growth opportunities in fast growing markets such as Brazil, India, Mexico, China, Indonesia, Australia, the United States, France and South Africa. The Issuer believes it is able to identify specific customer needs in individual markets and provide them with solutions through its differentiated product portfolio. For example, Unizeb Gold has been successful in certain Latin American countries as a resistance management tool against Asian Rust disease on soybean. The Issuer's R&D centres are interconnected across the Issuer's global network, which enables it to efficiently improve its products and deliver value-added solutions on a global scale and in a cost-efficient manner. The Issuer also believes that, with the acquisition of Arysta, it will achieve better economies of scale in its manufacturing, which allows the Issuer to manufacture efficiently at a low cost to sustain its competitiveness and profitability, as well as in its distribution, which allows the Issuer to retain greater control over product pricing, thus allowing it to capitalize on short-term opportunities. With the growing population and increased focus on yield and productivity, the Issuer believes that it is well-placed in the crop protection products industry to take advantage of its prospects and potential. In addition, due to the high degree of product complexity and necessary systems integration expertise inherent in its product offering, there are significant barriers to entry, which the Issuer believes reinforces its ability to capitalise on opportunities.

Extensive product portfolio

The Issuer's product portfolio covers the entire agricultural value chain including the production of seeds, seeds treatment, crop protection, storage of agricultural products, post-harvest solutions as well as other non-crop products, including animal health products such as honey bee protective miticides and veterinary vaccines, and ingredients for personal care applications. The Issuer possesses a wide range of products that address climate, soil and seed varieties in different geographies. The Issuer believes its extensive and diversified product portfolio has helped to maintain a well-balanced operating revenue stream without excessive reliance on a single product. For FY2020, 22 per cent. of the Issuer's total operating revenue was generated from the sales of fungicides, 34 per cent. from herbicides, 25 per cent. from insecticides and 19 per cent. from other products. In this regard, it has devised unique combinations or mixtures of post-patent products to complement its product portfolio. The Issuer's recent acquisition of Arysta also complements and diversifies its portfolio by providing customised and niche products. Arysta's portfolio is differentiated from the Issuer's original portfolio. In particular, Arysta allows the Issuer access to proprietary molecules such as Amicarbazone, Propizachlor and Flucarbazone which completes its crop offering. Arysta also holds the leadership position in the graminicide segment with their proprietary right over Clethodim and Quizalafop. The Issuer has also aimed to increase the revenue contribution from its branded products, which generally have higher profit margins than unbranded generic products. The Issuer also markets its products across various crop segments which include rice and soybeans, some of the most widely consumed food crops. The Issuer's extensive in-house capabilities across its process value chain, such as in R&D, product development, registration, manufacture of active ingredients, formulation and packaging to marketing and distribution have a cohesive objective of creating innovative, differentiated and compelling product mixes. The Issuer's product portfolio is bolstered by its post-harvest solutions (DECCO) services which aid its customers with chemical residue analysis, the monitoring of fungicide residues and tank concentrations, weight loss studies to spore assays, resistance management and integrated pest management programs. DECCO also provides equipment including applicators, brushers and electronic controls, among others.

Diversified geographical footprint with strategically located manufacturing facilities

With a sales presence in over 140 countries including sales offices in over 60 countries, the Issuer believes it is well positioned to increase market share of post-patent products. The Issuer has a diversified geographical footprint, with Latin America, North America, Europe and the rest of the world (excluding India) accounting for 43.48 per cent., 17.55 per cent., 16.49 per cent. and 22.48 per cent., respectively, of its operating revenues for FY2020. With the Issuer's recent acquisition of Arysta, it now has access to Eastern European, Russian, African and Middle Eastern markets, as well as a deeper penetration into the Asian market. Within markets the Issuer has a stronghold in, such as Latin and North Americas as well as Western Europe, Arysta complements its product and crop portfolio in such markets. Arysta's portfolio is differentiated from the Issuer's original portfolio.

The Issuer believes its geographic diversification mitigates its exposure to adverse weather conditions in any single cropping region or crop or chemistry. The diversity of its business across geographies also provides a range of expansion opportunities across major cropping regions around the world. Furthermore, the Issuer's ability to deliver products to end users with short lead time is critical, particularly given the seasonal nature of cropping. To streamline the Issuer's production processes, achieve shorter development and delivery lead times as well as enhance quality control, it has established a global platform across the regions in which it operates that enables the Issuer to service its existing customer base and support the continued growth of its business. This allows the Issuer to manufacture differentiated products designed to address local seasonal and market conditions, as well as to secure raw material inputs on competitive terms from a range of suppliers globally. In addition, the Issuer's global footprint as well as its ability to leverage on UPL's low-cost manufacturing facilities based in India, provide the Issuer with economies of scale, which help retain its cost competitiveness.

Strong R&D capabilities

The Issuer has strong competence in the crop protection process value chain. Its in-house research capabilities, including combinations and mixtures of post-patent formulas, which are chemicals that have gone off-patent, have contributed to the Issuer's ability to develop differentiated products globally. Significant product development expertise has enabled the Issuer to create a portfolio of value-added post-patent products sold under a variety of well-known brand names such as TOTAL, Glory, Vesta and Lancergold. Arysta's experience in providing customised and niche solutions has resulted in a solid foundation of R&D expertise, which the Issuer believes would complement and boost its R&D expertise. Arysta's customer-centric approach also allows the Issuer to have a better understanding of the needs of its customers, thus allowing the Issuer to respond quickly to evolving customer needs with new, differentiated products. In addition, the Issuer is committed to technological leadership and the development of innovative and high-quality products in order to meet both the growing demands of its customers with regard to product complexity and feature content as well as increasingly stringent environmental goals and regulatory requirements. For example, there has been an increased focus on yield and high productivity in the agricultural industry that has contributed to the growth in demand for specialty crop protection products, on which the Issuer has continued to emphasise in its R&D initiatives. The Issuer believes it is able to effectively harness its product registrations, leveraging its experience in various jurisdictions. The Issuer's dedication to technological leadership has contributed to maintaining a long track record of introducing innovative products.

Extensive marketing, sales and distribution platform

The Issuer focuses on high quality customer interaction in order to identify, create and capitalise on opportunities to develop solutions ahead of its competitors. The Issuer's sales process usually begins with its product development teams that work closely with its customers to create products and solutions to meet the customer's needs. The Issuer focuses on strategically aligning itself with key customers and creating long-term relationships. Its marketing presence in North America, Latin America, Europe, Asia, Africa and Middle East as well as its extensive network of local distributors provides an efficient channel to its customers in over 140 countries. As of 31 March 2020, the Issuer had a dedicated sales force of 1589 people and marketing force of 479 people. In addition, it implements several customer engagement programs to achieve sustainable and long-term relationship with farmers. For large banana plantations in Latin America, the Issuer provides an integrated service to banana farmers which cover product, technical advisory and aviation services under its "Trust Plus" program. DECCO also offers teams with technical expertise to its clients to assist with their packaging needs, decay and weight loss studies of produce and post-harvest resistance management.

Sustainable and profitable growth

The Issuer has focused on limiting its leverage and consistently maintained a sound financial position and a conservative financial profile. It has also built on its successful record of expansion through both organic growth and through prudent acquisitions of complementary businesses with a focus on sustained profitability and value additions. For example, its acquisitions of MTM, Cerexagri, Manzate as well as acquisition of equity ownership in DVA Agro Do Brasil and Arysta, were part of its selected value-accretive acquisitions that have been instrumental to the Issuer's expansion of geographical reach. On account of the Arysta acquisition, the Issuer had almost doubled its revenue with revenue growth between FY2018 and FY2020 of 109.67 per cent. For FY2018, FY2019 and FY2020, its EBITDA margin was also stable at 18.36 per cent., 16.02 per cent. and 17.37 per cent., respectively, while its net debt to EBITDA ratio was 1.45x, 8.66x[1] and 3.69x, respectively, and its cash flow from operations to debt 36.21 per cent., 10.63 per cent.[1] and 28.45 per cent., respectively. The Issuer believes its conservative financial profile is attributable to its continued investments in R&D, manufacturing infrastructure to support revenue growth, global reach of its distribution, diversified product portfolio, increased share of its branded products that have higher margins as well as reduction in manufacturing cost by taking advantage of its economies of scale. While the acquisition of Arysta, which was substantially debt-funded, resulted in a significant increase in the Issuer's leverage, the Issuer believes that its strong operating cash flows and synergies achieved with Arysta will allow the Issuer to deleverage rapidly.

Continuous commitment to sustainable development

The Group continues to maintain a strong focus on sustainability by actively monitoring environmental performance and embedding it in the business strategy. The Group also implements a strong risk management system to identify short-term and long-term environmental risks associated with the business, and takes active measures against them. The Group has three key areas of focus in continuing its commitment to sustainable development: (i) energy and carbon emission management, which includes energy conservation by enhancing energy efficiency and decarbonising operations; (ii) water management, which includes rain water harvesting and the use of volute press, scale ban, dissolved air floatation, moving bed biofilm reactor (MBBR) and surface jet aerator; and (iii) waste management, which includes waste reduction in packaging process with appropriate materials, prolonging lifecycle of equipment and product, process redevelopment and optimisation to reduce landfill, the recovery of value-added products from waste, and utilising incinerable hazardous waste for energy recovery.

Experienced board and management team

In addition to the global management team of the Issuer, it benefits from UPL's strong professional management team that provides support and guidance on matters concerning its strategy, management and operations. See "*Management*". UPL has a highly experienced management team with extensive chemical engineering, scientific and industry experience. The Issuer's management team has a demonstrated track record of achieving strong financial results and has solidified its customer relationships as well as enhanced its respective local management teams. In addition, the Issuer has experienced and stable senior managers at regional levels with significant experience and understanding of their respective markets and regions. Its local management has responsibility of day-to-day operational decisions while being guided by central principles aligned to its vision and strategy. The Issuer believes that the strength of its management team combined with its local management enables the Issuer to take advantage of strategic market opportunities, to make decisions at the local level quickly and to better serve its customers. The Issuer believes that its management team has been instrumental in its achievement of increase in operating margins and allowed the Issuer in being able to leverage its long-standing relationships with customers and distributors to drive revenue growth and win new and repeat business.

[1] These EBITDA figures take into account only two months of Arysta's EBITDA.

Strategies

The strategies that have created successful companies in the agrochemical industry sector have changed over time and will continue to change. Twenty years ago, the focus was on product innovation which involved developing new chemistry (such as "one fits all" AIs) that will allow farmers across the world to control a broad spectrum of weeds, insects and diseases. In the last 10 years, the focus moved to crop solution innovation, i.e. improving yields and quality. Such shift in focus requires the development of the right programs to fit the needs of a specific crop in a specific country. In the next 10 years, the Issuer expects the focus to shift to resource efficiency innovation, i.e. optimise yields but use less resources and thereby help farmers withstand climate change. The Issuer believes that it has shifted from product innovation to crop solution innovation, and is now shifting towards resource efficiency innovation. Through its innovative strategies, the Issuer believes that it is well equipped to lead the way in this new era moving forward.

Leverage scale across markets

The Issuer is well diversified geographically, with Latin America, North America, Europe and the rest of the world accounting for 43.48 per cent., 17.55 per cent., 16.49 per cent. and 22.48 per cent. of its revenue for FY2020, respectively. The Issuer believes its (excluding India) experience in existing markets helps grow its market share in emerging markets with high growth opportunities including Brazil, Argentina, Mexico, Colombia, South-east Asia and Africa. The underlying trend in the crop protection market has been underpinned by rising crop commodity prices and farm incomes, particularly in the advanced developing markets including Brazil. In addition, the Issuer believes its disciplined approach to regulatory compliance and knowledge gained through its presence in various markets have helped facilitate its entry into new markets and establish a registration portfolio in an efficient manner. Consistent with the Issuer's existing strategy, it will continue to expand the geographic reach of its formulation plants throughout emerging markets. By further diversifying its revenue stream geographically, the Issuer believes it reduces concentration risk such as foreign exchange related risks, weather and crop-related risks and economic risks.

Dominate the growing post-patent market through differentiation and best-in-class cost efficiency

The patented share of the market is in a phase of slow decline as the rate of new active ingredient introduction falls off. As per IHS Markit, the generics segment market share has risen from 35.7 per cent. in 2000 to 76.6 per cent. in 2017 and is likely to see a continued growth. The Issuer is well positioned to capture significant share of this growing market. The Issuer also believes that, with the acquisition of Arysta, it will achieve better economies of scale in its manufacturing, which allows the Issuer to manufacture efficiently at a low cost to sustain its competitiveness and profitability, as well as in its distribution, which allows the Issuer to retain greater control over product pricing, thus allowing it to capitalise on short-term opportunities. Backwards integration, scale and SG&A efficiency ensures necessary competitiveness to lead. The Issuer, through its R&D platform, creates differentiation and generates intellectual property with new unique formulations and mixtures.

Continue to maximise R&D capabilities and Open-Innovation R&D platform to help claim the top share of the proprietary chemical market

The Issuer focuses on retaining and strengthening its technological leadership through the continued development of innovative products, which it believes will expand its differentiated product portfolio and drive increase in customer demand for its products. The Issuer intends to continue to pursue various initiatives by involving its customers and farmers that will help develop innovative solutions to cater to their needs. In these respects, the Issuer believes that its acquisition of Arysta, which has a strong foundation in R&D and a keen understanding of local markets, both of which have enabled it to provide customised and niche products to local farmers, will greatly aid in the diversification of its differentiated product portfolio. In addition, the Issuer intends to exploit its capital efficient "OpenInnovation" R&D platform to work in collaborative networks such that innovation takes place "from field to lab" and involves farmers and distribution partners. The Issuer also intends to continue to promote the sharing of knowledge and experience among its product development personnel across its different geographies to ensure that its up-to-date expertise and solutions are available globally. Through the Issuer's focus on technological leadership and the production of innovative and effective products, it aims to further strengthen its position as the preferred solutions provider to the agricultural industry.

Expand leadership in sustainable input technologies

The Issuer intends to focus on the Bio-Solution product market, in which the Issuer ranks second globally in terms of product sales, to drive growth in sales. The Issuer's BioSolutions portfolio includes approximately 20 major AIs within its BioStimulants, Innovative Nutrition and BioControl (biofungicides and bioinsecticides) lines of products. This portfolio is differentiated through innovative technologies and mixtures, primarily protected by trade secrets, and expected to be a significant growth engine in the future. In this respect, the Issuer introduced the ProNutiva® program, which is an exclusive program that integrates natural biosolutions (bioprotection, biostimulants and bionutrition) with conventional crop protection products to meet the real-world needs of today's growers. ProNutiva® allows the Issuer to support sustainable agricultural practices, improve grower economics and meet evolving food chain requirements.

Continue to evolve its "Go-to-Market" from supplying products to offering "Smart Farming Solutions"

The Issuer seeks to develop trust-based and long-term relationships with its customers to provide them with a value-added offering and a level of service that increases their demand for its products. The Issuer aims to focus its portfolio of products from its competitors by differentiating its products that offer end-to-end farming solutions. The Issuer plans to partner with farmers and distributors to literally be on the farm with farmers throughout the entire campaign using digital technologies, remote sensing, imaging analyses and same source algorithms. In this manner, the Issuer believes that it will be able to not only increase yields but to actually optimise the programs to reduce the use of resources and to protect the environment. The Issuer believes that these service offerings will also help it expand margins and build sustainable market positions.

History

UPL was founded in 1969 as a limited company by Mr. R. D. Shroff, who is currently the Chairman of UPL. In 2003, it merged with Search Chem Industries Limited and its name was changed to United Phosphorus Limited. In 2013, the name of the company was changed to its current name, UPL Limited.

From 1969 to date, UPL has expanded and grown from a local phosphorus chemical manufacturer to a global solution provider across a comprehensive agricultural value chain. UPL has transformed into a global player through producing innovative formulations, diversifying its product portfolio and expanding its market presence (through subsidiaries or business partners) in multiple geographies. The following table depicts UPL's transformation over the years:

	The beginning	**Growth through product diversification**	**End-to-end global agri-input presence**
Product portfolio. . .	Phosphorus based industrial Chemicals	• Diversification into crop protection products and specialty chemicals • Development of post-patent portfolio • Provision of customised and niche products • Provision of other non-crop products, including animal health products	*Patented, proprietary, post-patent* • Seeds to pre-and post-harvest • Products across segments: herbicides, insecticides and fungicides • BioStimulants • Other non-crop products, including animal health products

	The beginning	Growth through product diversification	End-to-end global agri-input presence
		Global manufacturing presence • Cost competitiveness • Achieve market share • Exports	*Focus on innovative formulations* • Creating brands • Customer engagement • Market expansion through own registrations
Presence.	Presence only in the Indian market	Exports to various countries	*Increasing international business* • Direct presence in major markets with own distribution and sales force

In 1993, UPL expanded its operations outside India, by incorporating Bio-Win Corporation Limited, whose name was subsequently changed to UPL Corporation Limited in 2016.

In June 2016, Advanta Limited ("**Advanta**"), a global seeds company, also merged with UPL. UPL is the ultimate holding company for Advanta's global operations and as of 31 December 2019, Advanta has subsidiaries located in ten countries, namely Argentina, Australia, Brazil, Indonesia, Mauritius, the Netherlands, Thailand, the United Arab Emirates, the United States and Ukraine. The Issuer has reorganised Advanta's global operations to become one of its subsidiaries.

In January 2019, the Issuer completed the acquisition of Arysta.

Set forth below are key milestones in the history of the Issuer:

1993	Bio-Win Corporation Limited (now known as UPL Corporation Limited) became part of the UPL group.
1994	Acquired MTM Agrochemical UK, which was UPL's first acquisition of international business, for entry into the European market with its herbicides portfolio.
1996	Acquired Devrinol for entry into the U.S. and Japan markets.
2004	Acquired Surflan for sale in the United States markets.
2004	Acquired Ultra Blazer for sale worldwide.
2004	Acquired Lenacil and Cloradizon for sale in the European markets.
2004	Acquired Ag Value Inc., a company incorporated in the United States.
2004	Acquired Cequisa, a company incorporated in Spain.
2006	Acquired REPOSO S.A.I.C. for entry into Argentina.
2006	Acquired Asulam, Trichlorfon and Oligonucleotide-directed mutagenesis for sale in various markets.
2006	Acquired bensulfuron-methyl for sale worldwide except the Asia Pacific market.
2006	Acquired Cerexagri Group and expanded its global distribution network.
2006	Acquired Propanil for sale worldwide.
2010	Acquired RiceCo LLC, which helped UPL leverage its global sales and marketing network to take its product offerings to global rice markets.

2010	Acquired from Dupont its Manzate fungicide business and its manufacturing and formulation production facilities in Colombia.
2011	Acquired UPL Agromed, a company incorporated in Turkey.
2011	Acquired a 51 per cent. equity interest in DVA Agro Do Brasil and a 50 per cent. equity interest in Sipcam Isagro Brazil S/A for entry into Brazil.
2014	Increased equity interest in its Brazilian subsidiary, UPL Do Brasil (formerly DVA Agro Brazil) from 51 per cent. to 73 per cent.
2015	Acquired remaining equity interest in UPL Do Brasil, making it the Issuer's wholly-owned subsidiary.
2015	Acquired a 40 per cent. equity interest in Sinagro Produtos Agropecuários S.A.
2015	Acquired a 40 per cent. equity interest in 3SB Produtos Agrícolas S.A.
2016	Global seed business of Advanta merged with UPL group.
2017	Increased equity interest from 40 per cent. to 49 per cent. in Sinagro Produtos Agropecuários S.A. Group. Increased equity interest from 40 per cent. to 49 per cent. in 3SB Produtos Agrícolas S.A. Acquired a 33.33 per cent. equity interest in Serra Bonita Semetes S.S. Acquired a 100 per cent. equity interest in the UPL Agro Limited, Mauritius.
2018	Increased equity interest from 51 per cent. to 100 per cent. in UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve Ticaret A.S.
2019	Acquired Arysta LifeScience Inc., a company incorporated in the United States. Post-acquisition of Arysta, ADIA and TPG Capital hold a combined stake of approximately 22 per cent. in UPL. Acquired Bioquim group which has presence in the Costa Rica, Caribbean and Central American regions.
2020	Completed acquisition of 75% share in Yoloo (Laoting) Bio-technology Co., Ltd (Yoloo), an agrochemical company based in Hubei Province, China.

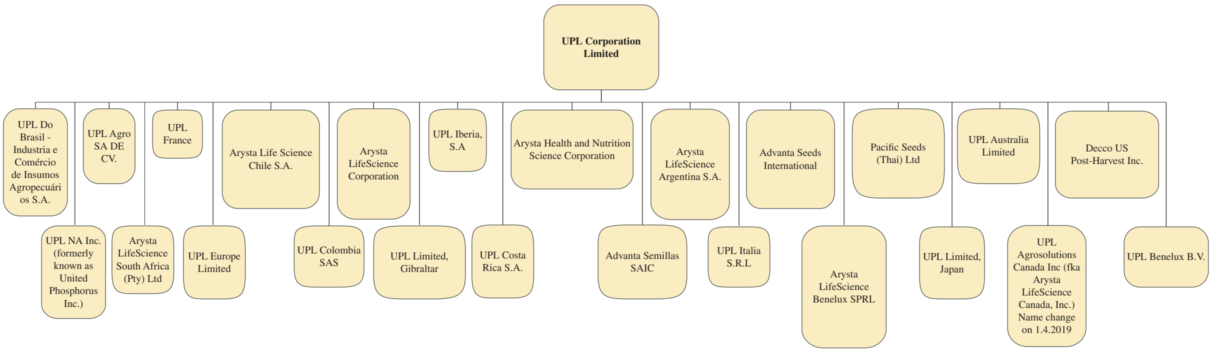
Issuer's Visions and Missions

The Issuer has key visions and missions that shape its strategies and focus areas. To achieve its vision to be an icon for technology growth and innovation, as well as its mission to change the game – i.e. to make every single food product more sustainable, the Issuer is continuing to work towards achieving the following future strategies:

- Enable stability of food supply for 7 billion people on the planet;
- Meet crop protection needs of 500 million farmers globally;
- Provide innovative and affordable solutions to farmers;
- Innovate new climate smart solutions to build resilient food systems;
- Connect farmers, food producers, supermarkets, and consumers; and
- Protect the environment, finite resources and human health.

Corporate Structure

Within the corporate structure of UPL and its subsidiaries, the Issuer is the holding company for all of UPL's subsidiaries outside of India. The following is a chart summarising the Group's corporate structure listing down its principal subsidiaries.



Note: The above chart includes only key operational subsidiaries and does not depict the exact holding pattern for each subsidiary.

Products

Over the years, the Issuer has leveraged its insight into the agriculture industry to offer a diversified product portfolio. BioStimulants, post-harvest solutions, as well as other non-crop products, including animal health products such as honey bee protective miticides and veterinary vaccines, and ingredients for personal care applications. The Issuer focuses on ensuring growth with adjacent technologies covering drought mitigation products and a biological range and crop nutrition portfolio. Its portfolio strategy covers products of global and regional importance to create crop solutions in a variety of crops, including, soybeans, corn, wheat, pulses, fruits and vegetables and plantation crops, including, oil palm, bananas and sugarcane.

The Issuer's product portfolio is comprised of the following core product segments:

Agricultural Inputs (Crop protection and seeds)

Crop protection

The Issuer provides a complete solution to farmers, from sowing to harvesting. It has deployed significant resources in developing effective crop protection solutions through pre-and post-harvest product segments. For chemicals used in the pre-harvest stage, the Issuer offers a wide range of crop protection products, such as herbicides, insecticides, fungicides and fumigants. Herbicides are used to eliminate unwanted weeds and grasses. Insecticides are designed to selectively destroy various types of insects and pests without damaging or destroying the crop itself. Fungicides protect crops from development of fungi, which can rapidly spread through crop plantations and significantly reduce crop quality and yield. Fumigants are a type of pesticides that control pests that live in the soil.

For FY2019 and FY2020, 26 per cent. and 22 per cent. of the Issuer's total revenue was generated from the sales of fungicides, respectively, 32 per cent. and 34 per cent. from herbicides, respectively, 24 per cent. and 25 per cent. from insecticides, respectively, and 18 per cent. and 19 per cent. from others, respectively. The Issuer believes it is one of the leading global market players of crop protection products. It provides a comprehensive, cost-effective solution to farmers, from sowing to harvesting to optimise farm productivity. It has also deployed significant resources in developing effective crop protection solutions through pre-and post-harvest product segments.

Crop Segments

Apart from the Issuer's diversified geographical reach and product portfolio, its crop protection solutions are also categorised into various crop segments. The Issuer's products offer solutions for treatment of various diseases and control of weeds and pests for various crops such as rice, soybean, cotton, sugarcane, wheat, corn and other fruits and vegetables. Some of its key product offerings into various crop segments are as follows:

Crop	**Herbicide**	**Fungicide**	**Insecticide**	**Bio-Solutions**	**Seed Treatment**
Rice . . .	Stam, Holdown	Cuprofix, Saaf	Lancer Gold, Kinalux	Kasumin, Foltron, Raizal	Biozyme
Soybean .	Interline, Tricor, Select	Unizeb Gold, Glory, Fortix, Zolera	Disect, Batus Gold, Sperto, Orthene, Dimilin	Vacciplant, BM86, Foltron	Rancona, Vitavax Thiram, Start
Cotton . .	Interline, Satellite, Upstage	Unizeb Gold	Lancer Gold, Battus, Trinca Caps, Perito, Dimilin, Orthene	Rio, Exploit Vacciplant	Rancona, Biozyme
Sugarcane.	Tricor, Asulox, Dinamic	Unizeb Glory	Dimilin, Barao, Imidagold	Raizal, K-Fol	Biozyme, Vitavax Thiram
Wheat . .	Vesta, Everest, Batalium	Glory, Evito	Attendant	Vacciplant	Rancona, Vitavax Thiram
Maize . .	Fascinate, Select	Unizeb Gold, Glory, Fortix, Zolera	Sperto, Perito, Orthene, Dimilin, Comite II, Omite	Raze, Foltron, Vacciplant	Rancona, Start, Biozyme
Specialty Crops. . .	Lifeline, Satellite, Casoron	Manzate, Microthiol, Procure, Captan, Syllit	Perito, Lancer, Acramite, Omite, Dimilin	Kasumin, Ph-D, BM86, Cinetis, Pilatus, Gainexa	Rancona

In addition to the Issuer's crop specific solutions, it also offers specific aquatic herbicides to control aquatic weeds and algae.

Seed Treatment

The Issuer's seed treatment portfolio consists of approximately four major AIs. It currently holds a leading position globally in this market segment. In November 2017, it has, through Arysta, initiated a long-term global strategic collaboration with DuPont Crop Protection to supply an innovative fungicide technology with an initial focus on corn and soybean seed applied products. The Issuer's main products include Rancona and Vitavax.

Seed treatments are used to coat seeds prior to planting in order to protect the seed during germination and protect the plant during the initial growth stages. Pre-treated seeds and in-furrow seed applications are attractive products for farmers as they permit the use of fewer chemicals to achieve the same efficacy as traditional crop protection products. Although the continued development of GM seeds has had an impact on the use of conventional crop protection, overall it believes that such development has increased growers' investment in the seeds, driving demand for seed treatments to protect and improve crop establishment.

Seeds

The Issuer manufactures and market seeds through its global subsidiaries in various geographies such as Thailand, Indonesia, Australia, Brazil and Argentina. In doing so, it leverages its existing distribution network and sales platform to market the seeds.

BioSolutions

The Issuer's BioSolutions portfolio includes approximately 20 major AIs within its BioStimulants, Innovative Nutrition and BioControl (biofungicides and bioinsecticides) lines of products. This portfolio is differentiated through innovative technologies and mixtures, primarily protected by trade secrets, and expected to be a significant growth engine in the future. BioSolutions are naturally derived products that fall into several categories: BioStimulants that enhance crop vigor, yield and/or quality through physiological stimuli; Innovative Nutrition (biological control) products that optimise the nutrition in plants by enhancing nutrient availability or use efficiency; and BioControl products that operate as conventional crop protection products with, in many cases, the added benefit of reduced residues of a synthetic origin.

Post-Harvest Solutions

The Issuer offers post-harvest products and services for the packaging and transporting of perishable commodities such as fruits and vegetables, which help retain nutritional value, provide enhanced visual appearance, shine and cosmetic value, and controls shrinkage and dehydration on such services that facilitate transportation of fruits and vegetables for longer periods of time, as well as increase their shelf-life. Its post-harvest solutions, DECCO, mainly cater to decay control of the fruits. DECCO provides a complete range of products including coatings, fungicides, cleaners, sanitisers, growth regulators, among others. All ingredients utilised in manufacturing DECCO products have been approved by the U.S. Food and Drug Administration, the EU and the Food Safety and Standards Authority in India, as food grade materials.

In select countries, the Issuer also offers other value-added DECCO services, which include chemical residue analysis, the monitoring of fungicide residues and tank concentrations, weight loss studies to spore assays, resistance management and integrated pest management programs. The Issuer is present in diverse markets and supports the agricultural industry along its value chain with a clear objective, which is to be a source of progress and competitiveness for its customers by providing them with innovative, efficient and sustainable solutions. DECCO also provides equipment including applicators, brushers and electronic controls, among others.

The following are select key brands of its agricultural inputs and post-harvest solutions offering, all of which are post-patent products.

	Seeds	**Herbicide**	**Insecticide**	**Fungicide**	**Fumigants**	**Specialty post-harvest**
Primary use . .	Provide added value to farmers through improved genetics	Prevent or reduce weeds that hamper crop growth and harvests	Control insect pests which reduce crop yields and quality	Prevent and cure fungal plant diseases	Control pest	Technical applications such as special coating on agricultural products
Key products .	Sorghum, Corn, Canola, Sunflower, Vegetables	Propanil, Asulam, Metribuzin, Glufosinate, Pendimethalin, SMet	Acephate, Imida, Pyrethroid	Mancozeb, Copper, Sulphur	Aluminum Phosphide, Magnesium Phosphide	Natural coatings, CIPC
Key brands . .	Alta, Pacific, Golden, Nutrisun	Stam, Devrinol Propanil, Asulax, Lifeline, Satellite, Mocasin	Lancer Gold, Batus Gold, Banter, Fipronil	Manzate, Vondozeb, Microthial, Unizeb Gold, Glory, BB20, TBCS40, Saaf	Weevilcide, Quickphos	DECCOSOL® 408 MELANITE

Complementary Product Offerings

The Issuer also sells certain non-crop products, including animal health products, such as honey bee protective miticides and certain veterinary vaccines, in addition to ingredients for personal care applications.

Business Structure

An overview of the process value chain of the Issuer is summarised in the following diagrams.

Research and Development

The Issuer has globally located facilities spread across Europe, the United Kingdom, North America and Brazil to evaluate both process technology and product capabilities. With strategically located laboratories across the world, the Issuer has proven product development and registration expertise in its key markets that enables it to develop innovative, differentiated and value-added products and formulations and bring them to market quickly. The Issuer is focused on innovating process technology of post-patent molecules and innovating products through differentiated eco-friendly formulation, combinations and mixtures, while remaining cost conscious and environment-friendly. The following are the Issuer's R&D facilities and their respective area of focus.

Location	**Areas of Focus**
Evesham, UK	Proprietary Formulation Development, Life Cycle Management Product Support and Good Laboratory Practice (GLP) Seed Treatment Regulatory Studies
Rotterdam, Netherlands	Formulation Development, Life Cycle Management Product Support and Good Laboratory Practice (GLP) Product Chemistry Studies
Liege, Belgium	Formulation Development and Life Cycle Management Product Support. UPL Global Sampling Hub
Marseilles, France	Copper and Sulfur Formulation Development and Life Cycle Management Product Support
King of Prussia, United States	Formulation Development and Life Cycle Management Product Support.
Durban, South Africa	Formulation Development and Life Cycle Management Product Support
Ituverava, Brazil	Formulation Development and Life Cycle Management Product Support

Location	Areas of Focus
Saltillo, Mexico	Specialist BioSolution Formulation Development and Life Cycle Management Product Support
Hangzhou City, China	Formulation Support
Guelph, Canada	Good Laboratory practice (GLP), characterisation of Bilogocal product

Global Product Development

The Issuer has established innovative process technology development platforms for post-patent molecules to create new formulations, combinations and mixtures. Combined with its R&D capabilities and test farms in Latin America to conduct tests on new formulations being developed by the Issuer, it was able to launch several key products including "Glory", a mixture of Mancozeb and Axoxystrobin, "Total", a mixture of sulphos sulfuron and metasulfuron and "Lancergold", a mixture of acephate and imidachloropid, "Lifeline" containing Glufosinate, "Satellite" containing Pendimathalin and "Sperto", a mixture of Acetamiprid and Bifenthrin".

Raw Materials

Sourcing of raw materials

The main raw materials required for the formulation of crop protection products are active or technical substances and formulation adjuvants. The majority of the Issuer's purchases for active substances are from UPL under yearly contracts and the balance is sourced from other crop protection products companies. The technical substances are synthetised from chemical intermediates and raw materials which the Issuer sources mostly from a group of medium to large chemical companies including Dow Chemical Company, BASF SE, Akzo Nobel, Huntsman Corporation, and Adisseo, and mineral commodity companies, including Total, CITIS SA, Erachem, KGHM and Jugo-Impex.

The Issuer purchases copper, sulphur, ethylene diamine, carbon disulfide and manganese sulfate, which are used for the production of crop protection products, primarily under long-term contracts from some of the companies mentioned above. Such long-term contracts are from one to three years. In addition to securing raw material supplies through long-term contracts, the Issuer purchases small amounts of additives, surfactants, and dispersants under short-term contracts. It has memorandum of understandings with most of its major suppliers and have a formula driven pricing model based on an agreed index. Other purchases of the Issuer are typically negotiated quarterly.

Other auxiliary raw materials that are readily available are purchased primarily under short-term contracts.

The Issuer chooses its raw material suppliers from among the most reliable producers and suppliers offering competitive terms. All of its raw material suppliers are subject to constant reviews and assessments.

Registration of Agrochemicals

The registration of agrochemicals is the process by which national governments or regional authorities approve the use and sale of an agrochemical. The registration of an agrochemical is necessary to ensure that the product is effective for its intended purposes and does not pose an unacceptable risk to human or animal health or the environment.

The basic registration process in the majority of countries for crop protection products is set out below.

- apply and obtain an experimental use permit to import products in a country for research purposes;
- generate the required scientific data from a laboratory under the Good Laboratory Practises and international testing guidelines;
- hire a recognised agricultural university or research institute to compile the required data from the local field;
- submit an application with the required scientific laboratory and the field data to the office of regulators or relevant ministry of agriculture;
- scientific evaluation of data by scientific experts, subject matter specialists and technicians within the regulatory body which comprises members from the relevant ministry of agriculture, ministry of health and ministry of environment;
- review outcome of evaluation by advisory committee;
- decision to grant or reject crop protection products registration based on evaluation outcome; and
- appoint inspectors or officers to monitor, enforce the law and control of imports and restrictions *Registration requirement across various jurisdictions*

The registration procedure varies in each country including the requirements as to the data, field trials, tests, reports. The process of registration approvals from various authorities, which may take one to 10 years depending on country and the type of registration. As on 31 March 2020, the Issuer has more than 13,600 product registrations.

Region	Registrations
Europe	5,221
North America	750
Latin America	3,033
Rest of the world	4,635
Total	13,639

The Issuer has substantial resources in connection with product registrations focused on its crop protection product and post-harvest solutions research efforts. The Issuer tests new formulations and mixtures in field trials around the world in different climatic conditions and in varying soils. In addition to the Issuer's own research and development efforts, its subsidiaries in the United States and the United Kingdom have agreements with the Jai Research Foundation, which is a research foundation accredited with Good Laboratory Practises standards, to use its product testing facilities. The Jai Research Foundation, which is owned by UPL's promoter family, also services other crop protection products and pharmaceutical companies.

Active Ingredient Manufacturing

The Issuer has manufacturing facilities in Colombia, Argentina, and the Netherlands, serving key cropping regions globally. These facilities manufacture technical active ingredients used in downstream formulation.

Formulation and packaging

The Issuer's business is global in scope but regional in execution. Its R&D and manufacturing centres are located across the regions in which it operates, as regional and customer proximity are important factors to minimise costs of logistics and shipping and to maintain a high customer service level. The Issuer has 29 manufacturing plants and the table below provides an overview of its primary production facilities and the main products manufactured at such production facilities as of 31 March 2020.

Facility Name	Country	Al/Formulation/Seed	Key Products
Vietnam (UPL)	Vietnam	Formulation	Quinalphos, Cyper, Propanil, Manzate, Glufosinate
Vietnam (ALS)	Vietnam	Formulation	Cypermethrin, Kasugamycin, Fluoxastrobuin+Tebuconazole, Fluoxastrobin+Cyperaconazole
Korea (ALS)	Korea	Formulation	Glufosinate, Forchlorenuron, Gibberellic acid, Thiocyclam hydrogen oxalate
Sandbach	UK	Formulation	Phenmedipham, Ethofumesate, Devrinol, Propanil
Bassens	France	Formulation	Sublimated Sulfur products, Liquid Sulfur, Lambdacyhalothrin, Sulfur Mixtures
Mouranx	France	Formulation	Copper based fungicides Bordeaux Blue 20 & 40, Copper Mixtures, TBCA
Le canet	France	Formulation	Sulfur WDG
Rotterdam	The Netherlands	AI & Formulation	Mancozeb, Mancozeb WDG, Maneb, Liquid formulations Devrinol, Propanil, Mancozeb, Phenmedipham
Colombia	Colombia	AI & Formulation	Mancozeb, Mancozeb Mixtures
Decco	Spain	Fruit Coating	Shellac + carnuba wax, PE + Wood Rosin based post-harvest products
Kingstree	USA	Formulation	Glufosinate
Abbott	Argentina	AI & Formulation	Cyper 25%, DDVP, Chloropyryphos, Endosulphan, Carbendazim, 2-4 D ester, Clethodim
Brazil (UPL)	Brazil	Formulation	Glufosinate, Glyphosate, 2-4 D, Abamectin, Acephate
Yoloo	China	Formulation	Fipronil, Imidacloprid, Gliphosate, Gluphosinate, Azoxystrobina, Abamectina
Ourgee	Belgium	Formulation	Prosulfocarb, Quizalofop, Difenconazole, Captan, Fludoxupyr, Cypermethrin, Cymoxynil + Promamocarb

Facility Name	Country	AI/Formulation/Seed	Key Products
Noguères	France	Formulation	Nicosulfuron, Clethodim, Captan, Quizalofop P Ethyl, Imidacloprid, Bifenthrin, CPP
Canelands	South Africa	Formulation	Glyophosate, Ammonium Sulfamate, 2,4 D Amine salt, Tebuthiuron, Azoxystrobin, MCPA, Mesotrione
Dederpoort (ALS)	South Africa	Bio Solutions	Biosolution products
Stimuplamt (ALS)	South Africa	Bio Solutions	Biosolution products
St. Malo	France	Bio Solutions	Sea Weed Extracts
Abidjan	Ivory Coast	Repacking	Repacking and warehouse for insecticides and herbicides
Pau	France	Bio Solutions	Beauvaria bassiana, natural insecticide
Salto de Pirapora	Brazil	Formulation	Acephate, Nicosulfuran, Clethodim, Amicarbazone, Propargite, Kasugamycin, Diflubenzuron
Ramos Arizpe	Mexico	Formulation & Biosolutions	Silwet, Adjuvents, Raizal, K Fol, Biozime, plant extract natural products
La Palma (ALS)	Mexico	Bio Solutions	Biosolution products
Tevsa (ALS)	Mexico	Bio Solutions	Biosolution products
Madrid	Colombia	Formulation, Nutrition & Biostimulants	Glyophosate, Mancozeb, Chlorothalonil, Paraquat, Fertiliser, Biostimulants, NPK Nutrition
Bioquim	Costa Rica	Formulation	Glyophosate, Chlorothalonil, Paraquat, 2,4D, Cypermetrina, Permetrina
Chaillac	France	Formulation	Animal Health products

Marketing and distribution

Region	Marketing	Sales
AMEANZ	57	178
Asia	129	363
Europe	124	321
Latin America	138	609
North America	31	118
	479	1589

The Issuer's business is organized into four regions namely, the United States, Latin America, Europe and the rest of the world. Each region is well structured covering sales, marketing, finance, human resources and customer services. For all the major countries, the Issuer has a direct footprint and sales and marketing staff to service both distributors and the farmers. Its products are sold to farmers though independent distributors, dealers, co-operative channels and direct sales to farmers, in over 140 countries. Typical agreements among the Issuer and the distributors are on a non-exclusive basis and their terms range from a few months to a couple of years.

The Issuer's distribution strategy is aligned to the needs of each individual region and country, representing the practises which the Issuer believes will best serve the relevant for specific geographies. This approach is also critical to establishing strong customer relationships, understanding unmet needs and strengthening brand loyalty. Its distribution strategy also covers diverse segments, including distributors, co-operative channels and direct sales to large farmers.

Several customer engagement programs are implemented to achieve sustainability engagements with farmers. For the large banana plantations in Latin America, the Issuer offers an integrated service under its "Trust Plus" program to banana farmers, which provides product, technical advisory and aviation services.

Competition

The Issuer's main competitors are the top 15 companies within the crop protection products industry, including, Bayer, Syngenta, Corteva, Adama, Nufarm and FMC Corporation, amongst others. Companies in the crop protection business compete on the basis of strength and breadth of product range, product development and differentiation, geographical coverage, price and customer service. In many countries, generic producers of off-patent crop protection compounds are additional competitors to the research-based companies in the commodity segment of the market. The Issuer has an innovative product pipeline combined with selected service models which offer convenient and high performing crop solutions. It has active and strategic collaborations with selected competitors in the areas of mutual and sustainable interest.

Information Technology

The Issuer uses several businesses support applications including SAP for its core business processing, Advanced Planner and Optimiser for demand and supply planning, Software for extended procurement, Customer Relationship Management for the sales force and analytic tool for its management information system, which improves the performance of its business teams as well as establishing adequate controls, including, credit control and inventory control. It has implemented a laboratory information management system to promote manufacturing quality. The Issuer has also implemented a barcoding system in its manufacturing and warehousing facilities for products tracking. It has recently successfully completed full integration of systems and processes of entire Arysta businesses in UPL SAP and align with other application architecture of UPL which resulted in transparency and business visibility.

Environmental Care, Safety and Health

The Issuer is committed to environmental protection, health and safety beyond the scope of legal requirements. It is committed to the chemical industry's Responsible Care™ initiative and have set out the basic principles of this commitment in its Global Environmental Footprint Reduction Plan.

The Issuer's operations in various countries are subject to international, national, state and local laws and regulations governing health, safety, environmental, security and sustainability issues associated with its products, manufacturing operations and supply chain. These laws govern a wide spectrum of the Issuer's activities and issues relating to its products and business, including:

- discharge of waste and emissions into the environment;
- the handling and disposal of industrial waste;
- remediation of historical environmental contamination;
- safety and efficacy of its products;

- effective management of potential safety and health risks to its employees, communities and individuals using its products; and

- management of its operations and supply chain in a manner that complies with applicable laws governing safe chemical transportation, chemical plant security, national security and possible trade restrictions on recipient countries and customers.

The Issuer must achieve and maintain regulatory compliance in order to operate its production facilities and sell its products. These steps typically involve obtaining and maintaining regulatory approvals, permits, licensing, registrations or other forms of compliance governing its operations and/or products. Given the Issuer's international presence, it needs to comply with regulatory requirements of authorities or agencies of different countries. The Issuer has an internal management control system designed to provide a reasonable assurance that applicable laws and regulations are identified and complied with.

Environment care

As for other chemical manufacturers, the Issuer's operations are subject to a broad range of environmental laws and regulations. Its manufacturing processes use many chemicals, gases and other hazardous substances. It strives to minimise the impact of its operations on the environment through an efficient use of raw materials and energy, waste management and the development and application of solutions aimed at reducing air, water and soil emissions, and improving the security of its manufacturing installations. For example, the Issuer created a dedicated Cell to address environmental issues across various units and a team of professionals aimed at reducing emissions at source.

The Issuer is also subject to increasingly stringent environmental, health and safety laws and regulations, including those governing air emissions; water supply, water use and discharge into water; the construction and operation of sites; the use, management, storage and disposal of waste and other hazardous materials; the health and safety of its employees; the investigation and remediation of contaminated land; and the health and safety impact of its products. The Issuer is required to obtain and periodically renew permits or licenses for industrial operations that result in discharge into the soil, air or water, as well as the use and handling of waste and other hazardous materials. Such permits and licenses establish limitations and standards with respect to its operations that require compliance. The Issuer maintains the highest standard of care and employ adequate staffing to properly dispose of waste. Its sites are regularly audited and inspected by governmental bodies in each of the jurisdiction of its subsidiaries. Each of the Issuer's plants comprises a state-of-the art effluent treatment plant, incorporating the latest technology. The Issuer has also installed superior scrubbers to minimise the emission of harmful chemicals, fumes and dust particles from its manufacturing facilities.

Among other environmental, health and safety laws and regulations, the Issuer expects that its business will be affected, over the next few years, by new legal requirements under the Industrial Emissions Directive ("**IED**") and the E.U. Emissions Trading Systems ("**EU ETS**"), the environmental liability directive and the regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals ("**REACH**") and so forth Regulation, which imposes significant obligations on its business with respect to the testing, evaluation, assessment and registration of basic chemicals and chemical intermediates. The IED and EU ETS directives aim at reducing the emission of pollutants and greenhouse gases into the air. The Issuer expects capital expenditures for environmental issues in the near term to be allocated to eco-innovative and energy saving solutions. The Issuer is expected to play a big role in achieving the United Nations' Sustainable Development Goals (the "**SGD**") The Issuer expects capital expenditure to meet five of the identified priorities of the SDG.

Health and Safety

Employee safety is of paramount importance for the Issuer. To protect employees, the Issuer has established health and safety policies, programs and processes at all its sites. Each manufacturing site has appointed one "Plant Safety Representative" responsible for managing unit safety. Each project goes through a hazard and operability study ("**HAZOP**") before its commencement and all plant-setting changes are normally first cleared by the HAZOP team. The Issuer has an Emergency Response Team in all units, to attend to incidents in factories neighbouring the areas of its units. It also conducts safety training across three levels: the first level comprises general safety training, the second level covers a particular plant, and the third level covers safety issues related to the job assigned to an employee. It has designed safety training programs for contract laborers, making attendance and compliance compulsory. The Issuer also maintains a strict incident reporting system on which all incidents are logged in the MIS of its safety department.

Insurance

The Issuer broadly maintains insurance policies and coverage for itself and for its subsidiaries, that the Issuer deems to be appropriate and in line with industry standards. In addition, the Issuer has obtained fire, flood and all risks insurances covering all of the Issuer's subsidiaries. The Issuer believes that it carries insurance policies and coverage that are commensurate with its level of operations and risk perception.

The Issuer also maintains product liability insurance, insurance covering the handling of hazardous chemicals under the Issuer's global commercial general liability policy, and global directors and officer's liability policies. The Issuer's other insurance coverage includes credit insurance, global sales turnover and stock throughput policies, internal and external global crime policies, cyber liability insurance and other management liability insurances.

Corporate Social Responsibility ("CSR")

UPL was founded in Vapi, India, in which basic infrastructure was in want. UPL was cognisant of the need to give back to its society and undertook infrastructure development works even before profit was made. The same ethos resonates in the Issuer and in the Issuer's subsidiaries in Argentina, Brazil, Columbia, Kenya and Mexico. Since the Issuer's inception, it has invested substantial resources to support its various CSR programs from skill-based entrepreneurial development programs and technical institutes to environment and nature conservation projects at both local and national levels. In line with the Issuer's core corporate social responsibility objectives, it has integrated social, environmental and economic aspects into its management and strategy to engage and partner with local communities with a view toward sustainability and social empowerment. The Issuer is constantly improving its infrastructure and processes, and has been recognised by Bloomberg as the second most generous company in India in 2018, based on the amount spent on CSR as a percentage of average profit for the past three years. The two core values of UPL, "Always Human" and "Open Hearts", are the guiding forces of the Issuer's CSR initiatives.

Principal subsidiaries

The following is a list of the Issuer's principal subsidiaries:

- UPL Do Brasil
- UPL NA Inc., U.S.A.
- UPL Agro SA DE CV.
- Arysta LifeScience South Africa (Pty) Ltd
- UPL France

- UPL Europe Ltd.
- Arysta LifeScience Chile S.A.
- UPL Colombia SAS
- Arysta LifeScience Corporation
- UPL Limited, Gibraltar
- UPL Iberia, Sociedad Anonima
- UPL Costa Rica S.A.
- Arysta Health and Nutrition Sciences Corporation
- Advanta Semillas SAIC, Argentina
- UPL Italia S.R.L.
- Arysta LifeScience Argentina S.A.
- Advanta Seeds International, Mauritius
- Arysta LifeScience Benelux SPRL
- Pacific Seeds (Thai) Ltd, Thailand
- UPL Limited, Japan
- UPL Argentina SA
- Arysta LifeScience Canada, Inc.
- Decco US Post-Harvest Inc (US)
- UPL Benelux B.V.
- UPL Australia Limited
- Arysta LifeScience RUS LLC
- UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi

Employees

As of 31 March 2020, the Issuer had a total of 5,607 employees on a consolidated basis. The Issuer believes that its relations with its employees are amicable. Some of the Issuer's workforce is unionised (for example, in Europe), but its operations have not been affected by significant work stoppages or other industrial actions. The Issuer emphasises a robust talent acquisition and retention mechanism, aimed at attracting qualified professionals. See "*Risk Factors – The Issuer's future success depends on its continued ability to attract and retain key personnel*."

Legal and Regulatory Proceedings

Decco proceedings

In August 2016, AgroFresh filed a complaint against Dr. Mir, MirTech, Essentiv and Decco Defendants in the federal court in Delaware, United States and brought several claims. AgroFresh and the defendants, in the interest of time, agreed to divide the litigation in two phases: Phase 1 which was against Dr. Mir and Mirtech had two counts alleging, first, that AgroFresh had an existing consultancy arrangement with Dr. Mir which gave it ownership interest over the 1-MCP Technology, and, second, that Dr. Mir fraudulently induced AgroFresh to amend the consulting agreement that he had with AgroFresh by which a carve out was created with respect to the ownership of the 1-MCP Technology in favour of Dr. Mir. Phase 2 related to several other counts against the Decco Defendants, including those relating to patent infringement and misappropriation of trade secrets. In June 2017, the federal court gave an opinion in favour of AgroFresh on two counts in Phase 1. Phase 2 related to several other counts against the Decco Defendants, including those relating to patent infringement and misappropriation of trade secrets. On 11 October 2019, the federal court gave an opinion in favour of AgroFresh on certain counts of misappropriation of trade secrets, tortious interference with existing contracts, unfair competition, conversion and civil conspiracy, with damages awarded to AgroFresh totalling approximately U.S.$31 million. The jury verdict is not the final judgment and has been challenged in post-trial motions before the court. UPL has filed post-trial motions challenging the verdict, including a reduction in the damages and a declaration that AgroFresh did not produce enough evidence in the trial which proves that it owned any trade secrets. The post-trial hearing was completed on 27 May 2020 and the final judgment is awaited. The final judgment will further be subject to appeal in a superior court.

Environmental Proceedings

On 17 March 2016, UPL filed an appeal against the judgement and order dated 8 January 2016 passed by the Honourable National Green Tribunal ("**NGT**"). In the NGT petition, the petitioner, Mr. Rohit Prajapati, petitioned for the decision of the Ministry of Environment & Forest ("**MoEF**") to approve UPL's defaulting units in Ankleshwar, Gujarat for post facto environmental clearance ("**EC**") to be declared as void. After hearing parties, UPL's EC was directed to be revoked within a month and such operations which are without a valid EC to be closed down within 4 weeks from the order date. UPL filed an appeal before the Honourable Supreme Court at New Delhi against the judgement. The Honourable Supreme Court vide its order dated 5 April 2016 stayed the order of the NGT. However, it allowed Mr. Rohit Prajapati to approach the NGT with materials proving pollution caused by UPL and other units for fresh consideration of pollution. Subsequently, both sides filed their submissions before the Honourable Supreme Court. The Honourable Supreme Court in its judgment on 1 April 2020 held that the MoEF's notification relating to the extension of period to the industry for obtaining post-facto environmental clearance was invalid in law and directed UPL to pay INR 10 crore within 5 months of UPL receiving the certificate copy of the judgment.

Advanta's Class Action Suit

In April 2017, a class action has been brought against Advanta Seeds, alleging negligence, and misleading and deceptive conduct. The negligence allegation related to Advanta Seeds' production of the hybrid grain sorghum seed MR43. The plaintiffs allege that such seed was contaminated with "shattercane" seed. The Plaintiffs also allege Advanta Seeds was misleading and deceptive in its labelling of the bags of MR43. Advanta Seeds denies the allegations and is defending both heads of claim. If the court finds that the contamination event was limited to certain specified batches of MR43, the class likely comprises just over 90 grain sorghum growers. The court has heard the matter in April 2020 and it is difficult to ascertain the judgment sum at stage as the court's judgment is awaited.

Income Tax Department Search

On 22 January 2020, the *Income Tax Department of the Indian government* conducted a search at UPL Limited's offices and premises. It has been fully cooperating with the tax authorities in their search but have not heard back from the authorities since the searches. While it is not possible to anticipate the result of such searches, it is possible that tax authorities may challenge certain tax positions of the Group. See "*Risk Factors – The Issuer is subject to risks associated with legal proceedings and governmental and tax investigations, including potential adverse publicity as a result thereof*."

Except as provided above, the Issuer is currently not involved in, nor is the Issuer aware of, any other pending or threatened, legal or administrative proceedings that it would reasonably expect to have a material adverse effect on its financial condition or results of operations. From time to time, however, the Issuer is involved in legal and administrative proceedings incidental to its business, including various proceedings instituted by governmental authorities arising under the provisions of applicable laws or regulations. The outcome of legal proceedings can be extremely difficult to predict with certainty and the Issuer can offer no assurances that any such proceedings will not have a significant effect on its business.

In addition, the Issuer is currently subject to tax audits and tax reviews in the various jurisdictions in which it operates. See "*Risk Factors – The Issuer is subject to different tax regulations, customs, international trade, export control, antitrust, zoning and occupancy and labour and employment laws that could require the Issuer to modify its current business practises and incur increased costs*."

MANAGEMENT

The Company is incorporated under the laws of Mauritius and is a subsidiary of UPL Limited, India. The senior management of UPL provides support and guidance on matters concerning the Issuer's strategy, management and operations.

Board of Directors

The Issuer's directors are:

Name	Age	Position
Mr. Puneet Bhatia	54	Director
Mrs. Roberta Bromberg Bowman	65	Director
Mr. Uttam Danayah	37	Director
Mr. Stephen Gerald Dyer	52	Director
Mr. Gyaneshwarnath Gowrea	54	Director
Mr. Jerome Andre Etienne Peribere	66	Director
Mr. Davor Pisk	62	Director
Mr. Peter Deane Scala	38	Director
Mr. Jaidev Rajnikant Shroff	54	Director
Mr. Vikram Rajnikant Shroff	47	Director
Mr. Hardeep Singh	66	Director
Mr. Doomraj Sooneelall	42	Director
Mr. Paul Steven Walsh	65	Director

Mr. Puneet Bhatia is Co-Managing Partner and Country Head of India of TPG Capital Asia. Prior to joining TPG in 2002, he was the Chief Executive of the Private Equity group of GE India and a member of the Project and Corporate Finance group at ICICI Limited. He serves on the Boards of Directors of several TPG portfolio companies including Jana Capital, Manipal Hospitals, Shriram Capital, Union Bank of Colombo, RR Kabel, and Sai Pharma. He holds a Bachelor of Commerce (Honors) degree from Shri Ram College of Commerce, Delhi, and a Master's in Business Administration from the Indian Institute of Management, Calcutta.

Mrs. Roberta Bromberg Bowman was Duke Energy's Chief Sustainability Officer from 2008 until 2012. She joined Duke Energy in 1986 and has over 30 years of experience in energy and environmental issues. She currently serves on the Board of Directors of Blue Cross North Carolina (since 2005), Echo Health Ventures (since 2016) and was an Independent Director of Healthcare Trust of America, Inc. (from 2018 to 2019). She is a former Board member and Board Chair of the Ladies Professional Golf Association ("**LPGA**") (from 2011 to 2017). In 2018, she accepted a limited term role with the LPGA as the association's Chief Brand and Communications Officer.

Mr. Uttam Danayah is a fellow member of the Association of Chartered Certified Accountants. He has more than 12 years of experience in the global business sector and has been involved in pre-incorporation tax advice, company set up, and administration, secretarial and accounting services. He is currently responsible for the finance and administration of UPL's subsidiaries.

Mr. Stephen Gerald Dyer, Bachelor of Applied Science in Engineering from Queen's University, Kingston, Ontario is a senior executive with a strong track record in managing, building and leading a major corporation in a series of increasingly senior positions. He has broad operational, financial, and leadership experience, as well as strategic outlook. His management positions include Vice President at Alberta, Fresno, and current role as President at Agrium Retail.

Mr. Gyaneshwarnath (Gary) Gowrea is a fellow member of the Association of Chartered Certified Accountants, fellow member of the Mauritius Institute of Directors, member of the Society of Trust and Estate Practitioners, and member of the International Fiscal Association. He received his Master of Science degree in Accounting from De Monfort University and holds a diploma in International Taxation. He has more than sixteen years of experience in international tax and advises on tax structures set up by multinational corporations, fund managers and high net-worth individuals. He is also the chairman of the tax committee of Global Finance Mauritius.

Mr. Jerome Andre Etienne Peribere graduated from Instituts d'études politiques, Paris, France in 1975 and is currently handling board assignments as Director at Ashland, Covington, Ohio and Xylem, Whiteplains, New York. He has professional experience in Sealed Air Corporation as President and Chief Executive Officer from March 2013 to December 2017. Prior to his role in Sealed Air Corporation, he was the President and Chief Operating Officer at Dow Chemical where he spent more than 35 years, serving in a variety of leadership roles internationally.

Mr. Davor Pisk has a Bachelor's in Economics and Politics from Exeter University and a Master's in Political Science from the University of California, Santa Barbara. He has more than 30 years of leadership experience in global markets, including nine years as Chief Operating Officer of Syngenta AG.

Mr. Peter Scala is a Senior Portfolio Manager and Head of the Global Industrials team within the private equity department at ADIA. Prior to joining ADIA, he has held positions with Apollo Global Management, and Goldman, Sachs & Co., in its Investment Banking Division. He is a graduate of Trinity College and received his Master's in Business Administration from the Columbia Business School.

Mr. Jaidev Rajnikant Shroff is the Global CEO of UPL. He is a well-recognized global leader in the Chemical and Agri-Inputs industry with over 30 years' experience in India and internationally. 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.

Mr. Vikram Rajnikant Shroff is a Chemistry graduate from the University of Mumbai, with a professional postgraduate degree from the Harvard Business School of Management. He is part of the leadership team of UPL, he has been instrumental in driving continuous organizational improvement with his dynamic leadership, sound strategic insights and outstanding people management skills.

Vikram has set challenging cross-functional aspirations for the company, leveraging the organizational values towards excellence. He is instrumental in making strategic decisions for the Company, leads many of the functions and has been responsible in the execution of several projects of the group. As a philanthropist, Vikram is very enthusiastic about the social development projects and the educational endeavours of the Shroff family that benefit more than 5,600 students annually.

Mr. Hardeep Singh has a Bachelor's (Honours) in Economics from Pune University and Advanced Management Programme Kellogg School of Management. He was Executive Chairman of Cargill South Asia until 2006 and Chairman at Amalgamated Plantations. He has also served as a Non-Executive Chairman of HSBC Invest Direct India Limited and Invest Direct Financial Services India Limited.

Mr. Doomraj Sooneelall is a Fellow Member of the Association of Chartered Certified Accountants, UK. He has around ten years of professional experience in the global business sector as well as prior audit experience. He is involved in the Corporate Services Team of IQ EQ. He also sits on the board of several companies.

Mr. Paul Walsh has been Chairman of Compass Group PLC since February 2014. He was previously Chief Executive Officer of Diageo plc from 1 September 2000 to 30 June 2013.

Management Board and Executive Officers of UPL Limited

The senior management of UPL Limited consists of 9 members and provides input on the day-to-day business of the Company. The persons set forth below are the senior management members of UPL Limited.

Name	Age	Position
Mr. Shri Rajju D. Shroff	87	Founder, Chairman and Managing Director
Mr. Jaidev Rajnikant Shroff	54	Global CEO of the group
Mr. Vikram Rajnikant Shroff	47	Executive Director
Mr. Rajendra Darak	53	Group CFO
Mr. Diego Casanello	46	Global COO – Crop Protection
Mr. Raj Tiwari	50	Global Head of Supply Chain & Manufacturing
Mr. Anand Vora	56	Global Chief Financial Officer
Mr. Sanjay Singh	50	Global Chief Human Resources Officer
Mr. Paresh Talati	62	Global Head Chemistry R&D
Mr. Adrian Percy	55	Chief Technology Officer

Mr. Shri Rajju D. Shroff is the Chairman and Managing Director of UPL. He graduated in Chemistry from Bombay University and completed the Smaller Business Management Program at Harvard University, USA. He has also studied Industrial Engineering in Plant Design. He was the Founder President of Vapi Industries Association and Chairman of Bharuch Enviro Infrastructure Limited. He was also on the Board of Gujarat Industrial Development Corporation for six years. He is a recipient of the President's 'Gold Shield', DSIR National Award and Invention Promotion Board Award.

Mr. Jaidev Rajnikant Shroff is the Global CEO of UPL. He is a well-recognized global leader in the Chemical and Agri-Inputs industry with over 30 years' experience in India and internationally. 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.

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Mr. Rajendra Darak has been with UPL since April 1997 and is currently the Group Chief Financial Officer. He has a Bachelor of Engineering degree (Prod) from VJTI, Mumbai and completed his MMS at JBIMS, Mumbai. He is involved in various functions from mergers and acquisitions to strategic developments into new businesses, corporate finance, resources mobilization, both onshore and offshore. He is part of the key team which looks after UPL's growth initiatives.

Mr. Diego Lopez Casanello has been serving as Global Chief Operating Officer for Crop Protection since UPL acquired Arysta in February 2019. Prior to the acquisition, Diego had served as Global Chief Executive Officer of Arysta since February 2016. In his tenure as leader of Arysta, Diego completed the integration of Chemtura Agrosolutions, the Agriphar Group and Arysta.

Mr. Raj Tiwari has been with UPL since 2011. He started in the roles of Global Leader for Manufacturing Projects and Lead for Indirect Procurement. He has been a part of the Global Supply Chain and Manufacturing Leadership team at UPL. He took on the role of Head of Technical Manufacturing for India for a year before he took on the role of Global Head of Supply Chain Management.

Mr. Anand Vora joined UPL from Bunge India where he worked in senior finance roles both within India and internationally, and previously held several leadership positions in finance in companies such as Dow Chemicals, Ranbaxy and Piramal Group. He has more than 31 years of experience.

Mr. Sanjay Singh joined UPL as the Global Chief Human Resources Officer in September 2018. He began his career in the Civil Services of India, where he served the Indian Railways for ten years. His foray into the private sector took him to Dr. Reddy's where he handled multiple global assignments in Russia and Europe. He then moved to Tata Motors as Head of Human Resources for the commercial vehicle division including international operations. In his last assignment with Crompton Greaves, he was Executive Vice President, Global Head of Human Resources and a member of the Executive Committee.

Mr. Paresh Talati joined UPL in 1994. He has over 37 years of experience in the Pharmaceutical and Agri-Inputs industry, having worked at Rallis, BDH and FDC in India. He has Master of Science in organic chemistry.

Mr. Adrian Percy has more than 25 years of experience in the agricultural industry. He currently serves as the Chief Technology Officer of UPL and a Venture Partner at Finistere Ventures LLC. He also serves on the board of directors of BioLumic, HiFidelity Genetics, AgroSavfe and Evogene, and is a member of the science and technology boards of Terramera and Rothamsted Research. He previously served as the Head of Research and Development for the Crop Science division of Bayer as part of their executive committee. During his 16-year tenure at Bayer, he also led crop protection development activities for Bayer in North America and regulatory affairs activities across the entire division of Crop Science. A Global AG advocate, he has held positions in the research and development departments of Rhone Poulenc, Aventis CropScience and Bayer in France, Germany and the United States. He earned his Bachelor's degree in Pharmacology at the University of Liverpool, Master's degree in Toxicology and Doctorate in Biochemistry at the University of Birmingham.

The directors of UPL Limited not already listed above, are as follows:

Name	**Age**	**Position**
Arun Chandrasen Ashar	71	Executive Director
Pradeep Vedprakash Goyal	69	Independent and Non-Executive Director
Reena Ramachandran	78	Independent and Non-Executive Director
Sandra Rajnikant Shroff	79	Executive Director
Hardeep Singh	65	Independent and Non-Executive Director
Vasant Prakash Gandhi	65	Independent and Non-Executive Director
Usha Rao Manori	60	Independent and Non-Executive Director

Management Structure

Please see below the management structure of UPL. The individuals listed below undertake their duties as specified in this chart with respect to the international operations of UPL, on the Issuer's behalf:

RELATIONSHIP WITH UPL

Overview

The Issuer is the holding company for the international operations of UPL (See "Risk Factors – Risks relating to the Issuer's Business and Industry – UPL owns majority of the Issuer's equity share capital and accordingly has the ability to decide the outcome of matters submitted to shareholders for approval, and their interests may differ from those of the holders of the Notes."), a leading crop protection products company that is listed on both the National Stock Exchange of India Limited and BSE Limited. UPL was the fifth largest agrochemical company globally by revenue (on a consolidated basis with Arysta) for 2019, according to IHS Markit. The Issuer accounts for the majority of the international sales of UPL with only a limited volume of sales by UPL directly to international customers.

As of 31 March 2020, UPL held 77.79 per cent. equity in the Issuer. UPL also provides letters of support for various borrowings. UPL's senior management also provide support and guidance on matters concerning the Issuer's strategy, management and operations.

The Issuer has operational ties with UPL. The de facto international sales force of UPL is employed by the Issuer and a significant volume of UPL's Indian manufacturing facilities cater to the Issuer's sales. The Issuer also has strategic ties as the Issuer shares the "UPL" brand name and as UPL continues the majority of its international expansion.

The collaboration between UPL and the Issuer enables Issuer to better serve its customers, expand its customer base through expanding its product range. As of 31 March 2020, the Issuer held more than 13,600 registrations out of UPL's 15,149 registrations on a consolidated basis.

Transactions with UPL

Sales

In the normal course of the Issuer's business, the Issuer makes limited sales to UPL. For FY2019 and FY2020, the Issuer sold U.S.$27.07 million and U.S.$28.83 million to UPL, respectively. For FY2019 and FY2020, the Issuer's sales to UPL accounted for 1.05 per cent. and 0.64 per cent. of the Issuer's total sales.

Purchases

UPL's Indian manufacturing facilities produce a significant portion of the products that the Issuer on-sells to its international customers and in the normal course of its business. For FY2019 and FY2020, the Issuer purchased U.S.$497.55 million and U.S.$622.54 million from UPL, respectively. These purchases from UPL accounted for 32.67 per cent. and 23.55 per cent. of the Issuer's purchase of agrochemicals, bio-solution and other products for FY2019 and FY2020, respectively.

The Issuer believes that all transactions with UPL are negotiated and conducted on a basis equivalent to those that would have been achievable on an arm's-length basis, and that the terms of these transactions are comparable to those currently contracted with unrelated third-party suppliers and manufacturers.

In the normal course of the Issuer's business, products are sold among UPL and other affiliated corporations. The Issuer also enters into transfer pricing agreements with UPL and other affiliated corporations and we believe that the transfer prices are determined on an arm's length basis and in compliance with all applicable transfer pricing laws in the relevant jurisdictions.

As of 31 March 2020, there were no loans and advances taken from UPL, amounts receivable from UPL for trade receivables was U.S.$11.72 million and amount payable to UPL for trade payables was U.S.$139.12 million.

For a discussion on related party transactions, including transactions with UPL, see Note 46 "*Related Party Transactions*" to the Issuer's consolidated financial statements for FY2020 included elsewhere in this Offering Circular.

Principal Shareholders of UPL

As at 31 March 2020, the following shareholders held 5 per cent. or more of UPL's voting shares:

Name of Shareholder	**Number of shares owned**	**Percentage of shares owned**
Nerka Chemicals Private Ltd[(1)]	153,596,890	20.10%
Uniphos Enterprises Limited[(1)]	38,590,395	5.05%
JP Morgan Chase Bank, NA[(2)]	63,155,913	8.26%
Life Insurance Corporation of India	45,661,443	5.97%

Notes:

(1) These two companies are directly or indirectly controlled by the Shroff family.

(2) Acting as Depository Bank for the Global Depository Receipts ("**GDR**") for various GDR holders.

THE GLOBAL CERTIFICATE

The Global Certificate contains the following provisions which apply to the Notes in respect of which they are issued whilst they are represented by the Global Certificate, some of which modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in paragraphs 1 to 5 below.

Cancellation

Cancellation of any Security following its redemption or purchase by the Issuer or any of its Subsidiaries will be effected by reduction in the aggregate principal amount of the Notes in the register of Holders and by the annotation of the appropriate schedule to the Global Certificate.

Payments

The Issuer, subject to and in accordance with the Terms and Conditions and the Trust Deed, will promise to pay to the Registered Holder on the maturity date specified in Condition 6(a) of the Terms and Conditions and/or on such earlier date(s) as all or any of the Notes represented by the Global Certificate may become due and repayable in accordance with the Terms and Conditions and the Trust Deed, the amount payable under the Terms and Conditions in respect of such Notes on each such date and to pay interest (if any) on the principal amount of the Notes outstanding from time to time represented by the Global Certificate calculated and payable as provided in the Terms and Conditions and the Trust Deed, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Certificate, together with any other sums payable under the Terms and Conditions and the Trust Deed.

Payments of interest in respect of Notes represented by the Global Certificate will be made upon presentation or, if no further interest payment falls to be made in respect of the Notes, payments of principal in respect of Notes represented by the Global Certificate will be made against presentation and surrender, of the Global Certificate to or to the order of the Registrar or such other Agent as shall have been notified to the holder of the Global Certificate for such purpose.

Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date of payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25th December and 1st January.

Distributions of amounts with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Registrar, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

A record of each payment made will be endorsed on the appropriate schedule to the Global Certificate by or on behalf of the Registrar and shall be *prima facie* evidence that payment has been made.

Notices

Notices (including an Offer to Purchase) required to be given in respect of the Notes represented by the Global Certificate may be given by their being delivered (so long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg) to Euroclear, Clearstream, Luxembourg for communication by it to accountholders entitled to an interest in the Notes in substitution for notification as required by the Conditions, rather than by mailing to the addresses in the Register as required by the Conditions.

Meetings

For the purposes of any meeting of Holders of the Notes, the Holder of the Notes represented by the Global Certificate shall (unless the Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Holders of the Notes and as being entitled to one vote in respect of each U.S.$1,000 of the Notes.

Transfers

Transfers of the holding of Notes represented by the Global Certificate pursuant to Condition 2(a) may only be made in part if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system through which the Notes are held and cleared (an "**Alternative Clearing System**") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, provided that, in the case of the first transfer of part of a holding as contemplated above, the Holder of the Notes represented by the Global Certificate has given the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such transfer.

Where the holding of Notes represented by the Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate.

Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is a common depositary of or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

TAXATION

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretation thereof in effect as at the date of this Offering Circular, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of distribution, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. It is emphasised that neither the Issuer nor any other persons involved in the offering of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for purchase, holding or disposal of the New Notes.

Certain Mauritian tax considerations

The Issuer holds a Category 1 Global Business License ("**GBL1**") issued by the Financial Services Commission of Mauritius ("**FSC**"). The Issuer will have to ensure that it is "centrally managed and controlled" in Mauritius by ensuring that it:

(a) has at all times at least two (2) resident directors of appropriate caliber who are able to exercise independence of mind and judgement;

(b) maintains, at all times, its principal bank account in Mauritius;

(c) keeps and maintains, at all times, its accounting records at a registered office in Mauritius;

(d) prepares its statutory financial statements and causes its financial statements to be audited in Mauritius; and

(e) provides for meetings of directors to include at least two (2) directors from Mauritius.

In addition to the above, the FSC has devised additional requirements when determining whether a company holding a GBL1 is "managed and controlled" in Mauritius and holders of a GBL1 are expected to comply with the new "economic substance" requirement. The FSC shall consider whether a corporation has complied with this new requirement where it meets at least one of the following criteria:

(i) the corporation has or shall have office premises in Mauritius; or

(ii) the corporation employs or shall employee on a full-time basis at administrative/technical level, at least one person who shall be resident in Mauritius; or

(iii) the corporation's constitution contains a clause whereby all disputes arising out of the constitution shall be resolved by way of arbitration in Mauritius; or

(iv) the corporation holds or is expected to hold within the next twelve (12) months, assets (excluding cash held in bank account or shares/interests in another corporation holding a GBL1) which are worth at least United States Dollars 100,000 in Mauritius; or

(v) the corporation's shares are listed on a securities exchange licensed by the FSC; or

(vi) the corporation has or is expected to have a yearly expenditure in Mauritius which can be reasonably expected from any similar corporation which is controlled and managed from Mauritius.

As of 1 January 2019, the GBL1 has been renamed as Global Business License and existing companies holding the GBL1, where the licenses were issued on or before 16 October 2017, will be grandfathered until 30 June 2021 and licenses issued after 16 October 2017 were grandfathered until 31 December 2018.

The Proposed Financial Transactions Tax

On 14 February 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument that is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands and Hong Kong) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with J.P. Morgan Securities plc, Merrill Lynch (Singapore) Pte. Ltd., MUFG Securities EMEA plc, Citigroup Global Markets Limited, Coöperatieve Rabobank U.A, Hong Kong Branch, Société Générale and UBS AG Singapore Branch dated 9 June 2020 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to issue and the Joint Lead Managers have severally and not jointly agreed with the Issuer to subscribe for the principal amount of Notes.

The Joint Lead Managers are offering the Notes in accordance with the terms of the Subscription Agreement and subject to certain conditions contained in the Subscription Agreement, including, *inter alia*, the receipt by the Joint Lead Managers of documentation related to the issuance and sale of the Notes, officer's certificates and legal opinions. The Subscription Agreement may be terminated by the Joint Lead Managers in certain circumstances prior to payment of the Notes. The Subscription Agreement provides that the Issuer will indemnify the Joint Lead Managers and their affiliates against certain liabilities in connection with the offer and sale of the Notes. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitles the Joint Lead Managers to terminate in certain circumstances prior to payment being made to the Issuer.

The Issuer will pay the Joint Lead Managers' customary commissions in connection with the offering and will reimburse the Joint Lead Managers for certain fees and expenses incurred in connection with the offering.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include Notes trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities ("**Banking Services or Transactions**"). The Joint Lead Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services and/or Transactions for the Issuer and/or its affiliates for which they have received, or will receive, fees and expenses. In particular, certain of the Joint Lead Managers and/or their affiliates act as arrangers and lenders under the Issuer's loan facilities and may receive a portion of the proceeds of the offering of the Notes in connection with the repayment thereof.

The Joint Lead Managers propose to offer the Notes for resale in transactions not requiring registration under the Securities Act pursuant to Regulation S under the Securities Act ("**Regulation S**").

If a jurisdiction requires that the offering of the Notes be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers are licensed brokers or dealers in that jurisdiction, the offering of the Notes shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

New Issue of the Notes

The Notes are a new issuance of securities with no established trading market. Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. However, no assurance can be given as to the liquidity of any trading market for the Notes. A liquid or active public trading market for the Notes may not develop. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar Notes, the performance of the Issuer and other factors.

Price Stabilisation and Short Positions

In connection with the offering, MUFG Securities EMEA plc as Stabilisation Manager or any person acting on its behalf may, to the extent permitted by applicable laws and directives, engage in transactions that stabilise or otherwise affect the market price of the Notes. These transactions consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes. If the Stabilisation Manager or its agent create a short position in the Notes in connection with the offering (i.e. if the Stabilisation Manager or its agent sells more Notes than are set forth on the cover page of this Offering Circular), the Stabilisation Manager or its agent may reduce that short position by purchasing Notes in the open market. In general, purchases of a Note for the purpose of stabilisation or to reduce a short position could cause the price of the Notes to be higher than it might be in the absence of such purchases. There is no assurance, however, that the Stabilisation Manager or its agent will undertake stabilisation action. Any stabilisation action may begin on or after the date adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time and must be brought to an end after a limited period.

Neither the Issuer nor the Stabilisation Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither the Issuer nor the Stabilisation Manager makes any representation that the Stabilisation Manager or its agent will engage in such transactions or that such transactions, once commenced, will not be discontinued without notice.

Other Relationships

In connection with the offering of the Notes, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer, may purchase the Notes for its or their own account (without a view to distributing such Notes). Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other Notes of the Issuer, and therefore, they may offer or sell the Notes or other Notes otherwise than in connection with the Offering. Accordingly, references herein to the Notes being 'offered' should be read as including any offering of the Notes to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of trading in the Notes may be constrained (see "*Risk Factors – An active trading market for the Notes may not develop or be sustained*"). The Issuer and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

Each of the Joint Lead Managers and/or their respective affiliates may enter into transactions, including, without limitation, credit derivatives, including asset swaps, repackaging and credit default swaps relating to the Notes or other securities of the Issuer at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchaser of the Notes). Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments. In addition, affiliates of certain of the Joint Lead Managers act as coordinating lead arrangers, lenders and/or agents under the Issuer's existing indebtedness.

The Joint Lead Managers and certain of their respective subsidiaries and affiliates may hold shares or other Notes in the Issuer as beneficial owners, on behalf of clients or in the capacity of investment advisors.

Selling Restrictions to the Offering

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Joint Lead Manager represents that it has not offered or sold, and agrees that it will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

Prohibition of Sales to EEA and UK Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(b) a customer within the meaning of Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Joint Lead Manager has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Joint Lead Manager has represented, warranted and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than:

    (i) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or

(ii) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

The PRC

Each Joint Lead Manager has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws of the People's Republic of China.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Joint Lead Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Notes or caused Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA;

(b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification – In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

India

Each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold and will not offer or sell any Notes in the Republic of India and has not made and will not make any invitation in the Republic of India to subscribe for the Notes. This Offering Memorandum has not and will not be registered or produced or made available as an offer document whether as a prospectus in respect of a public offer or an information memorandum or private placement offer letter or other offering material in respect of a private placement under the (Indian) Companies Act, 2013 or any other applicable Indian laws, with the Registrar of Companies, the Notes and Exchange Board of India or any other statutory or regulatory body of like nature in India. The Notes will not be offered or sold, and have not been offered or sold, in India by means of any document and this offering memorandum or any other offering document or material relating to the Notes will not be circulated or distributed and have not been circulated or distributed, directly or indirectly, to any person or the public or any member of the public in India or otherwise generally distributed or circulated in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of any Indian laws.

Indonesia

The Notes have not been, and will not be, registered with Financial Services Authority (*Otoritas Jasa Keuangan*) in the Republic of Indonesia, and therefore, the Notes may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens outside of the territory of the Republic of Indonesia in a manner which constitutes a public offer under Law No. 8 of 1995 on Capital Markets and the implementing regulations. Accordingly, each Joint Lead Manager has represented and agreed that it will not, directly or indirectly, expressly or implicitly:

(a) offer the Notes to more than 100, or sell the Notes to more than 50, parties in Indonesia and/or Indonesian citizens outside of Indonesia; and

(b) offer the Notes by way of mass media, including any newspaper, magazine, film, television, radio or other electronic media or any letter, brochure or other printed matter, distributed to more than 100 parties in Indonesia and/or Indonesian citizens outside of Indonesia.

United Arab Emirates

Each Joint Lead Manager has represented, warranted and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Center

This Offering Circular relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority (the "**DFSA**") Rulebook. This Offering Circular is intended for distribution only to Professional Clients who are not natural persons. It must not be delivered to, or relied on by, any other person.

The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Circular nor taken steps to verify the information set out in it, and has no responsibility for it. The Notes to which this Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes.

If you do not understand the contents of this Offering Circular you should consult an authorised financial adviser.

Each Joint Lead Manager has represented, warranted and agreed that it has not offered and will not offer the Notes to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules Module of the rulebook of the DFSA (the "**DFSA Rulebook**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook.

General

No action has been or will be taken that would, or is intended to, permit a public offering of the Notes, or the possession or distribution of this Offering Circular or any amendment or supplement thereto or any offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under Common Code number 218956599 and the International Notes Identification Number for the Notes is XS2189565992.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Listing of the Notes

Approval in-principle has been received from the SGX-ST for the listing of, and quotation for the Notes on the SGX-ST. Admission to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries and associated companies or the Notes.

The Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate is exchanged for individual certificates, and unless the Issuer obtains an exemption from the SGX-ST, the Issuer will appoint and maintain a paying agent in Singapore where the individual certificates may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate is exchanged for individual certificates, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual certificates, including details of the paying agent in Singapore.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issue of the Notes was approved by the Board of Directors of the Issuer on 20 May 2020.

Available Documents

So long as any of the Notes are outstanding, copies of the following documents will be available for inspection by Holders at the registered office of the Issuer and copies of items (iv) and (v) at the principal office of the Trustee at all reasonable times during normal business hours (being between 9.00 a.m. and 3.00 p.m., Monday to Friday (other than public holidays)) following prior written request and proof of holding and identity satisfactory to the Trustee:

(i) the Memorandum and Articles of Association of the Issuer;

(ii) the audited consolidated annual financial statements of the Issuer as of and for the financial year ended 31 March 2020;

(iii) the audited consolidated annual financial statements of the Issuer as of and for the financial year ended 31 March 2019;

(iv) the audited consolidated annual financial statements of the Issuer as of and for the financial year ended 31 March 2018;

(v) the Trust Deed; and

(vi) the Agency Agreement.

Significant or Material Change

Save as disclosed in this Offering Circular, there has been no significant or material adverse change in the financial or trading position of the Issuer since 31 March 2020.

Litigation

Save as disclosed in this Offering Circular, the Issuer is not or has not been involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer are aware) which may have or have had in the 12 months preceding the date of this Offering Circular a significant effect on the financial position of the Issuer.

Auditors

The FY2020 Financial Statements included in this Offering Circular have been audited by KPMG in accordance with the International Standards on Auditing issued by the International Federation of Accountants (IFAC) through the International Auditing and Assurance Standards Board (IAASB) and KPMG has issued an unmodified opinion thereon.

The FY2019 Financial Statements and FY2018 Financial Statements, each included in this Offering Circular, have been audited by Crowe ATA, Public Accountants in accordance with the International Standards on Auditing issued by the International Federation of Accountants (IFAC) through the International Auditing and Assurance Standards Board (IAASB) and Crowe ATA, Public Accountants has issued an unmodified opinion thereon.

INDEX TO FINANCIAL STATEMENTS

UPL CORPORATION LIMITED

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

CONTENTS	**PAGES**

			Date of appointment
DIRECTORS	:	Gyaneshwarnath **Gowrea**	12-Jan-09
		Doomraj **Sooneelall**	13-Mar-18
		Roberta Bromberg **Bowman**	22-Jan-19
		Jerome Andre Etienne **Peribere**	22-Jan-19
		Davor **Pisk**	22-Jan-19
		Vikram Rajnikant **Shroff**	18-Jan-19
		Jaidev Rajnikant **Shroff**	18-Jan-19
		Hardeep **Singh**	4-Dec-18
		Puneet **Bhatia**	30-Jan-19
		Uttam **Danayah**	13-Mar-19
		Peter Deane **Scala**	30-Jan-19
		Stephen Gerald **Dyer**	18-Mar-19
		Paul Steven **Walsh**	12-Sep-19

ADMINISTRATOR, & CORPORATE SECRETARY : IQ EQ Corporate Services (Mauritius) Ltd
(Formerly known as SGG Corporate Services (Mauritius) Ltd)
33, Edith Cavell Street
Port Louis, 11324
Republic of Mauritius

REGISTERED OFFICE & BUSINESS OFFICE ADDRESS : 5th Floor, Newport Building
Louis Pasteur Street
Port Louis
Republic of Mauritius

AUDITORS : **KPMG**
KPMG Centre
31, Cybercity
Ebène 72201
Republic of Mauritius

BANKERS : Barclays Bank Mauritius Limited
Barclays Private Clients International Limited, Isle of Man
SBM (Mauritius) Limited
Citibank NA, Hong Kong Branch

The directors present their commentary together with the consolidated financial statements of **UPL CORPORATION LIMITED** (the "Company") and its subsidiaries together referred to as the "Group" for the financial year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The Company was incorporated on 30 July 1993 and the main activities of the Company and its subsidiaries are those of manufacturing and marketing of crop protection chemicals, speciality chemicals, seeds, investment holding and providing management and financial support to group companies and international trading.

RESULTS AND DIVIDENDS

The results for the year are shown in the consolidated statement of profit or loss and other comprehensive income.

The directors take note that an interim dividend of USD 62,855 thousand was paid during the year (2019: USD 60,000 thousand). The directors do not recommend the payment of any further dividend for the year under review.

DIRECTORS

The present membership of the Board is set out on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The directors have prepared the consolidated financial statements for the financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Group. In preparing those consolidated financial statements, the directors have:

- Selected suitable accounting policies and then apply them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepared the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the consolidated financial statements are properly prepared in accordance with IFRS. They have confirmed that they have complied with the above requirements in preparing the consolidated financial statements.

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 auditors, **KPMG**, have indicated their willingness to continue in office, until the next annual meeting.

UPL CORPORATION LIMITED

CERTIFICATE FROM THE SECRETARY

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of UPL CORPORATION LIMITED (the "Company") under the Mauritius Companies Act 2001 for the financial year ended 31 March 2020.

For IQ EQ Corporate Services (Mauritius) Ltd
Secretary

Les Cascades Building
Edith Cavell Street
Port Louis
Republic of Mauritius

Date: 20 May 2020

IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port-Louis, 11324, Mauritius

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INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of UPL CORPORATION LIMITED and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss and other comprehensive income (OCI), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, as set out on pages 15 to 110.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of UPL CORPORATION LIMITED as at 31 March 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Revenue recognition, rebates and sales returns	
Refer notes 3(c) and 6(n) to accounting policies and note 25 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. We identified revenue recognition as a key audit matter because of the 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 International Financial Reporting Standards ("IFRS"). • 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 appropriateness of revenue being recognised in the correct accounting period. • We assessed the adequacy of disclosures in the consolidated financial statements against the requirements of IFRS 15, *Revenue from contracts with customers*.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

<table>
<tr><th colspan="2">Revenue recognition, rebates and sales returns (continued)</th></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>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 3(c) 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.</td><td>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 provision by agreeing amounts recognised to the terms of agreements and approvals.

• We assessed the reasonableness of assumptions and judgements used in the sales return provision by comparing against historical trends of returns and subsequent actual sales returns.

• We compared year end customer rebate accruals and rebate costs in the year to prior year actual rebate payments to assess the accuracy of the accrual against actual rebates paid.</td></tr>
</table>

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Existence and valuation of inventory	
Refer to accounting policy notes 3(j), 6(f) and note 15 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group operates in various geographies globally and consequently holds inventory at various locations. The Group has a plan wherein inventory is verified on a periodic basis to ascertain the existence of inventory. Inventory valuation involves significant assumptions and estimations made by the Group which include identifying obsolete inventory, slow moving inventory and inventory not suitable for use. The Group also makes an estimate for slow moving inventory based on the age of the inventory. We have identified inventory as a key audit matter because of the number of locations at which inventory is stored, and the judgement applied in the valuation of inventory.	Our procedures included the following: • We assessed the inventories accounting policies and evaluated compliance with the requirements of IFRS. • We evaluated the design and the operating effectiveness of the relevant key financial controls with respect to physical verification of inventory, valuation of inventory, including the provision for obsolete and slow-moving inventory. • For locations selected using statistical sampling, we observed physical verification of inventory conducted by the Group as at the year end. Furthermore, for inventory held by third parties we confirmed the quantity of inventory on hand against independent inventory statements. • We obtained the system generated inventory ageing report and analyzed the ageing profile of inventories to identify slow and obsolete inventory. Using the aged system report, we evaluated whether the provision against obsolete and slow-moving inventory items were reasonable.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

<table>
<tr><td colspan="2">Impairment of trade receivables</td></tr>
<tr><td colspan="2">Refer to accounting policy notes 3(o), 13 and note 48 (iii) to the consolidated financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>Trade receivables amount to approximately USD 1,553 million and the expected credit loss amounts to approximately USD 122 million as at 31 March 2020.

The Group has applied a simplified ECL model to determine the impairment against trade receivables at the reporting date.

The expected credit loss (ECL) model involves the use of various assumptions and study of historical observed default rates over the expected life of the trade receivables.

The significant judgements include the assessment for the forward-looking estimates.

Due to the significance of trade receivables and the significant judgement involved in determining the ECL, the impairment of trade receivables was considered to be a key audit matter.</td><td>Our procedures included the following:

• We assessed the design and implementation and tested the operating effectiveness of the Group's relevant key financial controls around the ECL allowance.

• We critically assessed the ECL model developed by the Group to determine appropriateness against the requirements of IFRS 9.

• We tested key assumptions and judgements, such as those used to assess the likelihood of default and loss on default by comparing to historical and forward looking data.

• We involved our IT specialists to test the system generated ageing report used in assessing the ECL allowance and the system controls around the processing of data used for ECL and evaluating the output generated thereof.

• We considered the adequacy of the disclosures in the Consolidated financial statements against the requirements of IFRS 9, Financial Instruments and IFRS 7, Financial Instruments Disclosures.</td></tr>
</table>

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Business combinations- Acquisition of Arysta LifeScience	
Refer to accounting policy notes 3(a), notes 45 and 46 (C) to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group in the prior year acquired Arysta LifeScience. The purchase price allocation was performed on a provisional basis for the 31 March 2019 financial year. During the current year the purchase price allocation was finalised. The Group has retrospectively revised the prior year comparative to reflect the final acquisition-date fair values of the acquired assets and liabilities. The final consideration amounted to USD 4.4 billion resulting in goodwill being recognised of USD 2.3 million. The Group accounted for this acquisition as a business combination as per IFRS 3, *Business Combinations*. The Group recognized identifiable assets and liabilities (including intangible assets) acquired at fair value (refer to note 45 to the consolidated financial statements). The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental. Fair value of the net assets acquired was determined by the Group with the assistance of an external valuation expert using various valuation models. Given the complexity and judgement involved in determining the fair value measurements and magnitude of the acquisition made by the Group, this was considered a key audit matter.	Our procedures included the following: ▪ We scrutinised the documents pertaining to the acquisition to understand the key terms and conditions of the acquisition. ▪ We assessed the competence, capabilities and objectivity of the valuation expert engaged by the Group and gained an understanding of the work of the expert by reviewing the valuation report. ▪ We involved our valuation specialist to assess the appropriateness of the fair value of the identifiable assets and liabilities. ▪ We assessed the appropriateness of the accounting treatment adopted in respect of the final acquisition date accounting and the adequacy of the Group's disclosures in respect of the acquisition against the requirements of IFRS 3, *Business Combinations*.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

<table>
<tr><th colspan="2">Valuation of goodwill</th></tr>
<tr><td colspan="2">Refer to accounting policy notes 3(a) and 6 (h), and note 7 to the consolidated financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group has goodwill of USD 2.49 billion as at 31 March 2020. In accordance with IFRS, 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:
o the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain; and
o the significance of the balance to the consolidated financial statements.</td><td>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 for reasonableness 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 IFRS.</td></tr>
</table>

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Other Information

The directors are responsible for the other information. The other information comprises the Corporate Information, Commentary of the Directors and Certificate from the Secretary but does not include the consolidated 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, 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.

Responsibilities of Directors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group'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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Auditors' 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 auditors' 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 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 ISAs, we exercise professional judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 the directors with a statement that we have complied with relevant ethical requirements regarding independence, and 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 the directors, 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

The consolidated financial statements of the Group for the year ended 31 March 2019, were audited by another auditor who expressed an unmodified opinion on those statements on 13 May 2019.

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body, those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

KPMG

KPMG
Ebène, Mauritius

Date: 1 June 2020

Imtiaz Ajeda
Licensed by FRC

UPL CORPORATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	31-Mar-20 USD '000	31-Mar-19 Restated and Revised* USD '000	1-Apr-18 Restated* USD '000
ASSETS				
Non-current assets				
Goodwill	45	2,494,046	2,492,285	159,718
Intangible assets	7	1,398,661	1,521,040	115,338
Intangible assets under development	7	122,992	89,496	29,129
Right of Use assets	50	69,866	-	-
Property, plant and equipment	8	309,847	318,301	134,939
Capital work in progress	8	33,584	49,684	71,224
Financial assets at fair value through profit or loss	9 (A)	9,755	16,273	79,278
Financial assets at fair value through other comprehensive income	9 (B)	3,159	6,337	-
Investment in associates	10	35,307	45,902	47,568
Investment in joint ventures	11	10,068	10,581	7,899
Trade receivables	13	29,570	491	225
Other financial assets	12 (A)	11,623	-	-
Other receivables	12 (B)	42,925	39,121	9,775
Other investments	12 (F)	833	1,063	1,091
Advances to Related Parties	12 (C)	7,190	8,360	9,052
Convertible loan notes	12 (E)	5,000	5,000	5,000
Deferred tax assets	21	213,031	172,664	72,194
Advance tax	12 (D)	2,174	24,567	3,826
Total non-current assets		4,799,631	4,801,165	746,256
Current assets				
Other Investments	12 (F)	13	283	-
Inventories	15	858,999	1,038,643	460,992
Other financial assets	12 (A)	67,573	2,024	5,471
Other receivables	12 (B)	132,617	154,138	54,428
Advance tax	12 (D)	11,544	900	4,183
Trade receivables	13	1,401,546	1,560,467	779,813
Advances to Related Parties	12 (C)	86,209	150,160	15,601
Cash and cash equivalents	16	861,047	379,970	416,600
Assets held for sale	14	6,798	3,746	3,057
Total current assets		3,426,346	3,290,331	1,740,146
TOTAL ASSETS		8,225,977	8,091,496	2,486,401

* Refer Note 46

Approved and authorised for issue by the Board of directors on 20 May 2020 and signed on its behalf by:

Gyaneshwarnath Gowrea
Director

Uttam Danayah
Director

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

UPL CORPORATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	31-Mar-20 USD '000	31-Mar-19 Restated and Revised* USD '000	1-Apr-18 Restated* USD '000
EQUITY AND LIABILITIES				
Equity				
Stated capital	17 (A)	18,102	18,102	13,600
Perpetual Subordinated Capital Securities	17 (C)	394,686	-	-
Share premium reserve	17 (D)	1,314,616	1,314,670	-
Retained earnings		1,085,936	861,898	743,987
Cash flow hedge reserve		(30,277)	(11,531)	-
Fair value reserves		(11,255)	(7,430)	-
Translation reserves		(383,818)	(213,270)	(112,254)
Equity attributable to equity holders of the parent		2,387,989	1,962,439	645,333
Non-controlling interests (NCI)		26,805	94,157	97,747
Total equity		2,414,795	2,056,596	743,080
Non-current liabilities				
Bonds	18	794,041	792,730	792,713
Borrowings	19	2,762,778	2,956,080	132,419
Long term lease obligation	50	61,117	-	-
Provisions	20	18,231	22,937	10,723
Deferred tax liabilities	21	346,262	311,969	6,672
Other long term liabilities	22	5,445	19,103	14,384
Total non-current liabilities		3,987,874	4,102,819	956,911
Current liabilities				
Borrowings	19	102,790	240,846	59,904
Current maturity of lease obligation	50	12,893	-	-
Trade payables	23	1,163,952	1,257,400	625,578
Other payables	24	378,763	251,051	89,005
Current tax liabilities		50,890	86,251	8,673
Provisions	20	114,021	96,533	3,250
Total current liabilities		1,823,309	1,932,081	786,410
Total liabilities		5,811,183	6,034,900	1,743,321
TOTAL EQUITY AND LIABILITIES		8,225,977	8,091,496	2,486,401

*Refer Note 46

Approved and authorised for issue by the Board of directors on 20 May 2020 and signed on its behalf by:

Gyaneshwarnath Gowrea
Director

Uttam Danayah
Director

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (OCI)

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Year ended 31-Mar-20 USD'000	Year ended 31-Mar-19 Revised* USD'000
Income			
Revenue from operations	**25**	**4,486,813**	2,602,822
Direct cost	**26**	**(2,917,882)**	(1,722,182)
Gross profit		**1,568,931**	880,640
Other income	**27**	**1,224**	1,676
		1,570,155	882,316
Expenses			
Other expenses	**28**	**(789,235)**	(473,162)
Impairment loss on trade receivables	**13**	**(484)**	9,569
Depreciation and impairment		**(44,921)**	(9,496)
Amortisation		**(163,375)**	(63,930)
Finance costs	**29**	**(172,099)**	(142,325)
Finance Income	**30**	**7,554**	15,124
Net Finance cost		**(164,545)**	(127,201)
Profit from operations		**407,595**	218,096
Fair value gain/(loss) on financial assets at FVTPL		**(6,195)**	(1,846)
Restructuring costs	**31**	**(37,172)**	(52,918)
Litigation cost	**32**	**(49,307)**	(11,274)
Share of loss from associates	**39**	**(340)**	366
Share of loss from joint ventures	**39**	**849**	1,622
Profit before taxation		**315,430**	154,046
Taxation	**21**	**(73,081)**	(12,485)
Profit for the period		**242,349**	141,561
Other comprehensive income:	**33**		
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain/ (loss) on Financial assets at fair valued through OCI		**(3,825)**	(7,430)
Remeasurement of defined benefit liability (asset)		**(1,391)**	(336)
Items that may be reclassified subsequently to profit or loss:			
Foreign operations - foreign currency translation differences		**(182,789)**	(109,154)
Cash flow from hedging - effective portion of changes in fair value		**(18,747)**	(11,531)
Other comprehensive income for the period, net of tax		**(206,752)**	(128,451)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**35,598**	13,110
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of the company		**236,143**	138,557
Non-controlling interests		**6,206**	3,004
		242,349	141,561
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the company		**41,632**	18,244
Non-controlling interests		**(6,035)**	(5,134)
		35,598	13,110
Earning per equity share			
Basic earning per share	**34**	***1304***	*966*
Diluted earning per share	**34**	***1304***	*966*

* Refer Note 46

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

UPL CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Attributable to owners of the Company									
	Stated capital	**Perpetual Bonds**	**Share Premium Reserve**	**Translation reserves**	**Fair value reserve**	**Cash Flow Hedge Reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
As at 1 April 2018	**13,600**	**-**	**-**	**(112,254)**	**-**	**-**	**743,987**	**645,333**	**97,747**	**743,080**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**130,518**	**130,518**	**3,004**	**133,523**
On account of purchase price allocation (Refer Note 46)	**-**	**-**	**-**	**4,915**	**-**	**-**	**8,038**	**12,953**	**-**	**12,953**
Other comprehensive income for the period	**-**	**-**	**-**	**(105,931)**	**(7,430)**	**(11,531)**	**(336)**	**(125,228)**	**(8,138)**	**(133,366)**
Total comprehensive income for the period	**-**	**-**	**-**	**(101,016)**	**(7,430)**	**(11,531)**	**138,221**	**18,243**	**(5,134)**	**13,110**
Transactions with owners of the Company										
Contributions and distributions										
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	**(60,000)**	**(60,000)**	**(2,492)**	**- 62,492**
Changes in ownership interests										
Issue of shares at premium	**4,502**	**-**	**-**	**-**	**-**	**-**	**-**	**4,502**	**-**	**4,502**
TPG and ADIA contribution	**-**	**-**	**1,195,980**	**-**	**-**	**-**	**-**	**1,195,980**	**-**	**1,195,980**
UPL India contribution	**-**	**-**	**143,518**	**-**	**-**	**-**	**-**	**143,518**	**-**	**143,518**
Share issue expenses	**-**	**-**	**(24,828)**	**-**	**-**	**-**	**-**	**(24,828)**	**-**	**(24,828)**
Acquisition of non-controlling interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(37,023)**	**(37,023)**
Acquisition under common control in Advanta Group	**-**	**-**	**-**	**-**	**-**	**-**	**39,690**	**39,690**	**(39,690)**	**-**
Impact on account of acquisition of Arysta	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**69,785**	**69,785**
Revision due to finalisation purchase price allocation accounting for acquisition of Arysta (Refer Note 46)	**-**	**-**	**-**		**-**	**-**	**-**	**-**	**10,964**	**10,964**
Total Transactions with owners of the Company	**4,502**	**-**	**1,314,670**	**-**	**-**	**-**	**(20,310)**	**1,298,862**	**1,544**	**1,300,406**
As at 31 March 2019	**18,102**		**1,314,670**	**(213,270)**	**(7,430)**	**(11,531)**	**861,898**	**1,962,439**	**94,157**	**2,056,596**

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Attributable to owners of the Company									
	Stated capital	Perpetual Bonds	Share Premium Reserve	Translation reserves	Fair value reserve	Cash Flow Hedge Reserve	Retained earnings	Total	Non-controlling interests	Total equity
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
As at 1 April 2019	18,102	-	1,314,670	(213,270)	(7,430)	(11,531)	861,898	1,962,439	94,157	2,056,596
IFRIC 23 impact	-	-	-	-	-	-	(5,033)	(5,033)	-	(5,033)
As at 1 April 2019, adjusted	18,102	-	1,314,670	(213,270)	(7,430)	(11,531)	856,866	1,957,406	94,157	2,051,563
Profit for the period	-	-	-	-	-	-	236,143	236,143	6,206	242,349
Other comprehensive income for the period	-	-	-	(170,548)	(3,825)	(18,747)	(1,391)	(194,512)	(12,241)	(206,752)
Total comprehensive income for the period	-	-	-	(170,548)	(3,825)	(18,747)	234,752	41,631	(6,035)	35,597
Transactions with owners of the Company										
Contributions and distributions										
Dividends paid	-	-	-	-	-	-	(62,855)	(62,855)	(4,141)	(66,996)
Issue of Perpetual bonds	-	400,000	-	-	-	-	-	400,000	-	400,000
Expenses on Issue perpetual bonds	-	(5,314)	-	-	-	-	-	(5,314)	-	(5,314)
Changes in ownership interests										
Share issue expenses	-	-	(54)	-	-	-	-	(54)	-	(54)
Gain on changes in NCI related to Arysta Brazil merger with UPL do Brazil	-	-	-	-	-	-	57,175	57,175	(57,175)	-
Total Transactions with owners of the Company	-	394,686	(54)	-	-	-	(5,680)	388,952	(61,316)	327,636
At 31 March 2020	18,102	394,686	1,314,616	(383,818)	(11,255)	(30,277)	1,085,938	2,387,989	26,804	2,414,794

The dividend per share amounted to USD 426.06 for the current year (2019: USD 441.18).

Nature and purpose of reserves

(i) Share Premium Reserve
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 "Share Premium Reserve".

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

(ii) Retained earnings

Retained earnings are created out of the profits earned by the Company by way of transfer from surplus in the statement of profit or loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

(iii) Cash flow hedge reserve

The Company 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 Company 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).

(iv) Fair value reserve

The Company 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 Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(iv) 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.

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	31-Mar-20 USD '000	31-Mar-19 USD '000 *Revised**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**315,430**	154,046
Adjustments for:		
Depreciation and amortisation	**208,296**	73,426
Finance costs	**172,099**	142,325
Impairment loss on trade receivables	**484**	(9,569)
Gain on disposal of non-financial assets	**2,029**	620
Fair value loss on financial assets at FVTPL	**6,195**	1,846
Gain on disposal of non-financial assets	**(486)**	(382)
Finance income	**(7,554)**	(15,124)
Sundry credit balances written back	**-**	(1,589)
Net gain on disposal of current investments	**-**	28
Share of loss of associates	**340**	(366)
Share of loss from joint venture	**(849)**	(1,622)
Operating profit before working capital changes	**695,985**	343,639
Change in inventories	**190,004**	(12,405)
Change in trade receivables	**83,316**	78,847
Change in advances	**80,028**	28,441
Change in trade payables	**(118,547)**	84,768
Change in provisions	**11,390**	(1,443)
Change in other liabilities	**212,895**	(59,027)
Cash generated from operations	**1,155,071**	462,820
Tax paid	**(92,830)**	(38,743)
Net cash from operating activities	**1,062,241**	424,077

* Refer Note 46

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

	Note	31-Mar-20 USD '000	31-Mar-19 USD '000 Revised*
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment, including capital work in progress		**(44,596)**	(69,127)
Purchases (net of disposals) of Intangible assets including intangible assets under development		**(54,637)**	-
Proceeds from sale of property, plant and equipment		**5,725**	988
Payment for acquisition of subsidiaries		**(109,434)**	(4,210,516)
Sundry Loans given		**(321)**	(135,218)
Sundry Loans received		**724**	659
Interest received		**7,554**	15,123
Purchase of investments		**756**	(13,714)
Payment to current investment		**-**	(28)
Proceeds from disposal of investment in subsidiary		**-**	64,895
Net cash used in investing activities		**(194,231)**	(4,346,938)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term borrowing		**(193,884)**	(670)
Short term Borrowings (net)		**(129,136)**	2,874,122
Interest paid and other financial charges		**(211,006)**	(131,207)
Dividend paid to minority shareholders by subsidiaries		**(4,141)**	(2,492)
Share issue expenses		**(54)**	(24,828)
Payment of lease obligation		**(19,691)**	-
Payment to Non controlling interest share holder on redemption of preference shares		**-**	(37,023)
Dividends paid		**(62,855)**	(60,000)
Capital received		**-**	1,344,000
Expense incurred on issue of perpetual bonds		**(5,314)**	-
Issue of Perpetual bonds		**400,000**	-
Net cash (used in) / from financing activities		**(226,081)**	3,961,902
Net increase in cash and cash equivalents		**641,929**	39,041
Cash and cash equivalents at start of year		**379,970**	416,600
Effect of exchange rate difference		**(160,852)**	(75,671)
Cash and cash equivalents at end of the year		**861,047**	379,970

In the prior year, the Group presented USD 147,488 thousands as cash and cash equivalents from acquired subsidiaries under movement of the balances of cash and cash equivalents between the beginning and end of the year instead of presenting cash flows on acquisition of subsidiaries net of these cash balances as an investing activity as required by IAS 7 Cash Flow Statements.

During the current year the Group has corrected this presentation in the comparative cash flow statement.

The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Particulars	Notes	March 31, 2019	Cash flows	Non-cash changes				March 31, 2020
				Acquisition	Foreign exchange movement	Fair value change	Other adjustments	
Borrowings								
From Bank (Secured)	19	212	(162)	-	-	-	-	50
From Bank (Unsecured)	19	2,948,956	(189,590)	-	-	-	-	2,759,366
From Others (Unsecured)	19	2,525	(97)	-	-	-	-	2,428
Lease obligation	19	4,387	(3,453)	-	-	-	-	934
Bonds (Unsecured)								
USD 500m 3.25% Senior Notes Due 2021	18	496,966	-	-	-	-	65	497,031
USD 300m 4.50% Senior Notes Due 2028	18	295,764	-	-	-	-	1,246	297,010
Working capital loan/ PCFC	19	214,127	(129,136)	-	-	-	3,396	88,388
Current maturities of long term debts	19	691	(582)	-	-	-	-	109
Interest paid and other financial charges	19	26,028	(211,006)	-	-	-	199,271	14,293
Lease liability	50	-	(19,691)	-	-	-	93,701	74,010
Total liabilities from financing activities		**3,989,656**	**(553,716)**	**-**	**-**	**-**	**297,679**	**3,733,619**

Notes:
(i) Figures in brackets represent cash outflow
The notes as set out on pages 24 to 110 form an integral part of these consolidated financial statements.

1. CORPORATE INFORMATION

UPL CORPORATION LIMITED (the "Company") was incorporated in Mauritius, under the Mauritius Companies Act 1984, now governed by the Mauritius Companies Act 2001, as a private company on 30 July 1993 with limited liability by shares and subsequently, on 26 September 2016, it was converted into a public company. The Company also holds a Category 1 Global Business License issued by the Financial Services Commission. The Company's registered office address is at Newport Building, Louis Pasteur, Port Louis, Mauritius.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, 'the Group'), its associates and joint ventures that are accounted using equity method as at and for the year ended 31 March 2020.

The Group's main activities are those of manufacturing and marketing of crop protection chemicals, speciality chemicals, seeds, investment holding, providing management and financial support to group companies and international trading.

The consolidated financial statements were authorised for issue in accordance with the resolution of the directors on 20 May 2020.

2. BASIS OF PREPARATION AND MEASUREMENT

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in compliance with the Mauritius Companies Act, 2001. The International Financial Reporting Standards (IFRS) requires the use of estimates and assumptions that could affect the reported amounts and disclosures in the consolidated financial statements. Actual results may differ from these estimates.

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 – fair value as disclosed in Note 45.

The consolidated financial statements of the Company are expressed in United States dollar ("USD") rounded off to the nearest thousands. The Company's functional currency is the USD, the currency of the primary economic and regulatory environment in which the Company operates.

2.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, associates and joint ventures as at 31 March 2020. 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. The joint ventures and associates held by the Group are that are accounted using equity method. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

2. BASIS OF PREPARATION AND MEASUREMENT (CONTINUED)

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 31 March. 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 31st December 2019 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. 31 March.

2.3. Non-controlling interests (NCI)

NCI are measured initially at their fair value at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.4. Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities 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, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture 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 Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

2.5. 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 property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. IAS 12 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

(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.

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 IFRS 9 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 IFRS 9, it is measured in accordance with the appropriate IFRS. 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 arising on the acquisition of subsidiaries 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.

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.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

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 3 (k) for more details).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) 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.

(c) Revenue recognition

The Group derives revenue primarily from sale of agro-chemical and other products.

Revenue is recognized 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 recognize revenues, the Company applies the following five step approach:

(1) identify the contract with a customer,
(2) identify the performance obligations in the contract,
(3) determine the transaction price,
(4) allocate the transaction price to the performance obligations in the contract, and
(5) recognize revenues when a performance obligation is satisfied.

Sale of goods

The Group recognizes 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 IFRS 15, 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rendering of services

Income from services are recognized as and when performance obligation is met.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(d) Current assets held for sale

The Group classifies 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.

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.

Current 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.

(e) Property, plant and equipment and depreciation

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 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 with reference to the month of addition/deletion of the Assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation

The Group depreciates on a straight-line method based on following estimated useful life of assets.

Sr. No.	Description of Assets	Useful life of Asset 2020	Useful life of Asset 2019
1.	Aircraft	8 Years	8 Years
2.	Building	18 - 60 Years	18 - 60 Years
3.	Furniture, Fixtures & Equipment	3 - 15 Years	3 - 15 Years
4.	Land – Improvements	18 - 60 Years	18 - 60 Years
5.	Building – Improvements	18 - 60 Years	18 - 60 Years
6.	Laboratory equipment	10 Years	10 Years
7.	Leasehold Land	50 years or term of lease if shorter	50 years or term of lease if shorter
8.	Office Equipment	3 – 33 Years	3 – 33 Years
9.	Plant and Machinery	3 – 25 Years	3 – 25 Years
10.	Vehicles	3 – 15 Years	3 – 15 Years
11.	Leasehold Building	18 - 60 Years	18 - 60 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.

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.

Aircraft

Aircraft is recorded at cost less depreciation and provision for impairment, if any. Cost comprises of the purchase price and any attributable cost of bringing the aircraft to its working condition for its intended use. Depreciation is computed on the straight-line method, based on the useful life of the aircraft on 100% of the acquisition cost and with a zero-residual value. Normal disbursements for repairs and maintenance are charged to the consolidated profit or loss and significant costs that improve the efficiency and extend the useful life of the aircraft, are capitalised.

Repairs and maintenance

The Company utilises the built-in overhaul method to account for the major maintenance of the aircraft. Under the built-in overhaul method, the cost of the initial major maintenance activity is recorded as a deferred charge and is amortised over a period of 8 years.

(f) 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 Note 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Research and development costs:

Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure can be capitalized 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 recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment loss.

A summary of the policies applied to the Group's intangible assets is as follows:

Intangible assets	Useful Life (years)	Amortisation method used
Product Registration / 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	Five years	Amortised on straight-line basis
Customer Lists	Fifteen years	Amortised on straight-line basis
Non-compete agreements	Five years	Amortised on straight-line basis
Brand	Infinite	To be tested for impairment
Software / License Fees	Two - Five years	Amortised on straight-line basis

(g) 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Foreign currencies

The Group's consolidated financial statements are presented in USD. 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 recognized 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 recognized in the statements of profit or loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized 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 entities

On consolidation, the assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their statements of profit or 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. 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) 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 48)
- Financial instruments (including those carried at amortised cost) (Note 48)

(j) 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 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.

(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 adjusted into inventory.

(iii) Traded goods are valued at lower of cost and net realizable 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

(k) 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 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 31 March 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 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Provisions

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.

(m)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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 or 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. All other acquired tax benefits realised are recognised in statement of profit or loss.

(n) 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 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.

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 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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.

(o) 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, 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 recognized in the other comprehensive income (OCI). However, the Group recognizes 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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized 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 recognized in the statement of profit or loss.

Equity investments

All equity investments in the scope of IFRS 9 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by the Company as an acquirer in a business combination to which IFRS 3 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 recognized 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 recognized 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.

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 IFRS 9, 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 IFRS 16
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15 (referred to as contractual revenue receivables' in these financial statements)

The Group 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 IFRS 16

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group 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 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 company does not reduce impairment allowance from the gross carrying amount.

(p) 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 IFRS 9.
- Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 19.

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.

(q) 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.

(r) 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.

(s) 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.

(t) Segment Reporting

Based on "Management Approach" as defined in IFRS 8 -Operating Segments, the CODM evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Accordingly, the CODM believes that they view the business as one reportable segment only.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) 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 recognized 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

(a) New standards and amendments – applicable 1 April 2019

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 April 2019:

IFRS 16 Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately. Refer Note 50.

Policy applicable from 1 April 2019

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 IFRS 16. This policy is applied to contracts entered into, on or after 1 April 2019.

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 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.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) New standards and amendments – applicable 1 April 2019 (Continued)

IFRS 16 Leases (continued)

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.

Policy applicable before 1 April 2019

For contracts entered into before 1 April 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a lessee

In the comparative period, as a lessee the Group 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.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) New standards and amendments – applicable 1 April 2019 (Continued)

IFRS 16 Leases (continued)

Assets held under other leases were classified as operating leases and were not recognised in the Group'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.

On 1 April 2019 i.e. the date of transition to IFRS 16, below were the amounts recognised as Right of Use Asset and Lease Liability –

Description	Amount (USD 000')
Land & Building	35,548
Office Equipment	573
Plant & Machinery	1,145
Vehicles	16,952
TOTAL	54,218
Right of use lease liability	54,218

There is no impact on opening retained earnings and deferred taxes on the transition date.

IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

The International Accounting Standards Board (IASB) issued IFRS interpretation IFRIC 23 Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. According to IFRIC 23, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, IFRIC 23 will be applied retrospectively to each prior reporting period presented in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying IFRIC 23 recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of IFRIC 23 is annual periods beginning on or after January 1, 2019, though early adoption is permitted. The Group has adopted the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of IFRIC 23 is as disclosed in the statement of changes in equity in the consolidated financial statements.

Amendments to IAS 19: Plan Amendment, Curtailment or Settlement

The amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the consolidated financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

5. STANDARDS ISSUED BUT NOT EFFECTIVE

A number of new standards are effective for annual period beginning 1 April 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework.

The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments.

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendment is effective from 1 January 2020 but may be applied earlier. However, the Board does not expect significant changes. The refinements are not intended to alter the concept of materiality.

Definition of a Business (Amendments to IFRS 3)

Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

In October 2018 the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments:

• Confirm that a business must include inputs and a process and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs.

• Narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and

• Add a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period. Earlier application is permitted. Since the amendments apply prospectively to transactions or other events that occur on or the after the date of first application, the Group will not be affected by these amendments on the date of transition.

Revised Conceptual Framework for Financial Reporting

The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:

• increasing the prominence of stewardship in the objective of financial reporting

5. STANDARDS ISSUED BUT NOT EFFECTIVE (CONTINUED)

• reinstating prudence as a component of neutrality

• defining a reporting entity, which may be a legal entity, or a portion of an entity

• revising the definitions of an asset and a liability

• removing the probability threshold for recognition and adding guidance on derecognition

• adding guidance on different measurement basis, and

• stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.
No changes will be made to any of the current accounting policies as on date of financial statements.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The following are the management's judgements made in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

(a) 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.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, hat 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.

(c) 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 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. Refer Note 21.

(d) 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 40 for details of the key assumptions used in determining the accounting for these plans.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(e) 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 48 for further disclosures.

(f) 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. Refer Note 15.

(g) 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. Refer Note 48.

(h) 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.

(i) Cash flows from hedges - effective portion of changes in Fair Value

The determination of the accounting treatment of the Company's hedging relationships is critical since the recording of gains or losses on remeasurement of hedging instruments to fair value at the reporting date gives rise to adjustments directly in profit or loss or other comprehensive income where such relationship is treated as fair value hedge or cash flow hedge respectively. Hedge accounting under IFRS is a complex area and the Company have entered into a number of hedge contracts, necessitating a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. The valuation of hedging instruments and consideration of hedge effectiveness involve a significant degree of both complexity and management judgement.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(j) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(k) Useful life of intangible assets

The Group reviews the useful lives of intangible assets at the end of each reporting period. This re-assessment may result in change in amortisation expense in future periods.

(l) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

The Group recognises provisions which are discounted, where necessary, to its present value based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(m) determining the fair value less costs to sell of the held for sale assets based on significant unobservable 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.

(n) Provision for sales return and rebates;

The Group recognises the accruals for discount/incentives and returns based on accumulated experience and underlying schemes and agreements with customers. Refer Note 25.

7 INTANGIBLE ASSETS

	Goodwill	Other Intangible Assets								Intangible assets under development	Total (excluding Goodwill)
		Product Registration/Acquisition	Software/ License Fees	Customer Lists	Brand	Non-compete agreements	Germplasm	Others	Total Other Intangible Assets		
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
COST											
At 1 April 2018	159,718	424,290	6,579	1,500	-	-	11,216	446	444,031	29,129	473,160
Acquisitions	2,114,866	1,719,021	42,196	404,226	51,600	49,414	-	7,228	2,273,685	49,717	2,323,402
Additions	-	20,650	1,054	-	-	-	-	248	21,952	18,408	40,360
Disposals	-	(11,921)	(269)	-	-	-	-	-	(12,190)	-	(12,190)
Transfer	-	-	-	-	-	-	-	-	-	(8,910)	(8,910)
Impairment	(182)	-	-	-	-	-	-	-	-	-	-
Exchange difference	(10,149)	(27,093)	(580)	-	-	-	-	(42)	(27,715)	(2,825)	(30,540)
Other adjustments	-	(600)	-	-	-	-	-	702	102	(6,353)	(6,251)
Revision due to finalisation purchase price allocation accounting (Refer Note 46)	228,032	(580,320)	(20,769)	(185,424)	2,700	200	-	-	(783,613)	10,330	(773,283)
At 31 March 2019	**2,492,285**	**1,544,027**	**28,211**	**220,302**	**54,300**	**49,614**	**11,216**	**8,582**	**1,916,252**	**89,496**	**2,005,748**
Acquisitions	11,577	2,023	-	1,643	274	-	-	-	3,939	-	3,939
Additions	-	26,621	1,344	-	-	-	-	13	27,979	55,532	83,510
Disposals	-	(4,589)	(1,906)	-	-	-	-	-	(6,495)	-	(6,495)
Transfer	-	(6,838)	-	-	-	(456)	-	-	(7,294)	(15,657)	(22,951)
Exchange difference	(9,816)	(17,153)	(781)	-	-	-	-	(26)	(17,960)	(6,379)	(24,338)
Reclassification	-	(13,711)	662	(226)	-	(3,002)	-	(6,956)	(23,233)	-	(23,233)
At 31 March 2020	**2,494,046**	**1,530,380**	**27,530**	**221,719**	**54,574**	**46,156**	**11,216**	**1,613**	**1,893,189**	**122,992**	**2,016,181**
AMORTISATION											
At 1 April 2018	-	311,796	5,537	1,292	-	-	10,016	52	328,693	-	328,693
Charge on acquisitions	-	529,306	36,504	39,332	-	13,426	-	4,759	623,327	-	623,327
Charge on additions	-	55,039	904	4,261	-	1,209	659	145	62,217	-	62,217
Disposal	-	(11,392)	(270)	-	-	(50)	-	-	(11,712)	-	(11,712)
Other adjustments	-	(650)	65	(1)	-	(32)	-	718	100	-	100
Exchange difference	-	(20,614)	(492)	-	-	-	-	(5)	(21,111)	-	(21,111)
Revision due to finalisation purchase price allocation accounting (Refer Note 46)	-	(524,552)	(20,875)	(40,882)	-	7	-	-	(586,302)	-	(586,302)
At 31 March 2019	**-**	**338,933**	**21,373**	**4,002**	**-**	**14,560**	**10,675**	**5,669**	**395,212**	**-**	**395,212**
Charge on acquisitions	-	733	-	-	-	-	-	-	733	-	733
Charge on additions	-	112,959	2,824	14,430	-	6,967	541	82	137,803	-	137,803
Disposal	-	(1,856)	(1,703)	-	-	-	-	-	(3,559)	-	(3,559)
Reclassification	-	(17,959)	5,137	11	-	(3,581)	-	(4,285)	(20,677)	-	(20,677)
Exchange difference	-	(11,604)	(1,430)		-	(1,925)	-	(27)	(14,986)	-	(14,986)
At 31 March 2020	**-**	**421,206**	**26,201**	**18,443**	**-**	**16,021**	**11,216**	**1,439**	**494,527**	**-**	**494,527**
CARRYING AMOUNTS											
At 31 March 2020	**2,494,046**	**1,109,174**	**1,329**	**203,276**	**54,574**	**30,135**	**(0)**	**174**	**1,398,661**	**122,992**	**1,521,653**
At 31 March 2019	2,492,285	1,205,094	6,838	216,300	54,300	35,054	541	2,913	1,521,040	89,496	1,610,536

(A) 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.

(B) Intangible assets under development represent studies related to product registrations which are still under progress. These studies are for those products where feasibility has been established. Once development has been completed, these assets are transferred to intangible assets and amortisation are carried out accordingly.

8. PROPERTY, PLANT AND EQUIPMENT

THE GROUP

	Property, plant and equipment													
	Aircraft*	**Freehold Land**	**Leasehold Land**	**Building**	**Plant and Machinery**	**Laboratory Equipment**	**Furniture Fixtures and Equipment**	**Vehicles**	**Land Improvements**	**Building Improvements**	**Office Equipment**	**Total Property, plant and equipment**	**Capital work in progress**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
COST														
At 1 April 2018	12,162	19,523	1,879	58,740	203,848	8,056	5,705	13,685	2,735	5,267	9,635	341,235	71,224	412,459
Acquisitions	-	5,584	17,788	100,670	151,954	-	13,897	14,199	-	-	-	304,092	11,018	315,110
Additions	-	339	66	30,308	42,748	423	956	4,349	-	408	1,339	80,936	36,571	117,507
Disposals	-	(6)	(316)	(97)	(7,829)	(128)	(605)	(1,407)	-	(30)	(414)	(10,832)	-	(10,832)
Transfer	-	-	-	-	-	-	-	-	-		-	-	(74,003)	(74,003)
Exchange differences	-	(681)	(212)	(3,549)	(15,174)	(461)	(357)	(1,328)	(257)	(177)	(630)	(22,826)	(1,479)	(24,305)
Other adjustments	-	-	-	(50)	253	-	(79)	(122)	-	-	-	2	6,353	6,355
Revision due to finalisation purchase price allocation accounting (Refer Note 46)	-	4,670	-	8,603	(6,800)	-	-	-	-		-	6,473		6,473
At 31 March 2019	**12,162**	**29,429**	**19,205**	**194,625**	**369,000**	**7,890**	**19,517**	**29,376**	**2,478**	**5,468**	**9,930**	**699,080**	**49,684**	**748,764**
Acquisitions	-	806	-	2,283	288	20	94	494	-	-	-	3,985	-	3,985
Additions	-	653	-	14,144	34,610	1,105	1,855	5,565	15	337	2,413	60,697	24,073	84,770
Disposals	-	(8)	(1,000)	(3,374)	(10,215)	(5)	(621)	(2,780)	(2)	-	(740)	(18,744)	-	(18,744)
Reclassification	-	689	(11,688)	(8,097)	(5,037)	7,793	(5,529)	(172)	1,380	9,760	10,902	1		1
Transfers		-	(4,805)	(3,133)	-	-	-	-	-	-	-	(7,938)	(37,753)	(45,691)
Exchange differences	-	(1,624)	(414)	(8,292)	(21,228)	(687)	(850)	(3,094)	(95)	(1,148)	(1,602)	(39,034)	(2,420)	(41,454)
At 31 March 2020	**12,162**	**29,945**	**1,299**	**188,156**	**367,418**	**16,116**	**14,466**	**29,389**	**3,776**	**14,417**	**20,903**	**698,047**	**33,584**	**731,631**
DEPRECIATION AND IMPAIRMENT														
At 1 April 2018	6,109	-	119	30,479	145,990	4,412	3,077	6,533	2,563	1,656	5,359	206,297	-	206,297
Charge on acquisitions	1,265	-	5,253	53,785	100,281	-	9,299	7,559	-	-	-	177,442	-	177,442
Charge on additions	-	-	150	2,885	11,632	517	639	3,082	31	394	1,283	20,613	-	20,613
Disposal	-	-	(61)	(93)	(7,555)	(110)	(449)	(1,069)	-	(12)	(394)	(9,743)	-	(9,743)
Exchange differences	-	-	(2)	(2,306)	(10,983)	(322)	(205)	(624)	(241)	(54)	(374)	(15,111)	-	(15,111)
Other adjustments	-	-	-	-	(121)	-	130	(110)	-	-	-	(101)	-	(101)
Revision due to finalisation purchase price allocation accounting (Refer Note 46)	-	-	-	143	(112)	-	-	-	-	1,351	-	1,382	-	1,382
At 31 March 2019	**7,374**	**-**	**5,459**	**84,893**	**239,132**	**4,497**	**12,491**	**15,371**	**2,353**	**3,335**	**5,874**	**380,779**	**-**	**380,779**
Charge on acquisitions	-	-	-	558	108	14	61	287	-	-	-	1,027	-	1,027
Charge on additions	1,265	-	13	8,278	19,396	1,029	1,216	5,161	467	878	2,401	40,104	-	40,104
Disposal	-	-	(230)	(1,911)	(8,685)	(5)	(635)	(2,041)	(2)	-	(419)	(13,927)	-	(13,927)
Reclassification	-	-	(5,035)	(2,917)	(7,049)	5,501	(3,450)	370	800	3,823	7,958	0	-	0
Transfer	-	-		(2,103)	-	-	-	-	-	-	-	(2,103)	-	(2,103)
Exchange differences	-	-	(4)	(3,107)	(10,634)	(574)	(483)	(1,583)	(78)	(277)	(941)	(17,680)	-	(17,680)
At 31 March 2020	**8,639**	**-**	**203**	**83,691**	**232,268**	**10,462**	**9,200**	**17,565**	**3,540**	**7,759**	**14,873**	**388,200**	**-**	**388,200**
CARRYING AMOUNTS														
At 31 March 2020	**3,523**	**29,945**	**1,096**	**104,465**	**135,150**	**5,654**	**5,266**	**11,824**	**236**	**6,658**	**6,030**	**309,847**	**33,584**	**343,431**
At 31 March 2019	4,788	29,429	13,746	109,732	129,868	3,393	7,026	14,005	125	2,133	4,056	318,301	49,684	367,985

Capital work in progress represents the projects which are still under progress. Once these projects have been completed, they are transferred to property, plant and equipment and depreciation are carried out accordingly.

* Previously, aircraft was presented separately on the face of the statement of financial position ("SOFP"). Management believes that further disaggregation is not required on the face of SOFP and instead included this within PPE and disclosed in the notes.

9 INVESTMENTS (EQUITY)

(A) INVESTMENTS STATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	Carrying amounts	
	31-Mar-20	31-Mar-19
Unquoted & Quoted investments	**USD '000**	USD '000 Revised*
Ishihara Sangyo Kaisha Ltd. (Quoted)	**5,947**	11,916
Others (Unquoted)	**3,808**	4,357
	9,755	16,273

* Refer Note 46

(B) INVESTMENTS STATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Carrying amounts	
	31-Mar-20	31-Mar-19
Quoted investments	**USD '000**	USD '000 Revised*
Agrofresh	**3,159**	6,337
	3,159	6,337

* Refer Note 46

10 INVESTMENT IN ASSOCIATES

Name of associates	**Country of incorporation**	**% holding**	**31-Mar-20 USD '000**	31-Mar-19 USD '000
Sinagro Produtos Agropecuários S.A.	Brasil	45%	**-**	-
3SB Produtos Agricolas S.A	Brasil	45%	**8,602**	12,926
Seara Bonita	Brasil	33.33%	**20,933**	27,501
Dalian Advanced Chemical Co.Ltd.	China	21%	**80**	84
Agronamic (Pty) Ltd.	South Africa	28%	**571**	708
Novon Protecta (Pty) Ltd	South Africa	25%	**798**	1,066
Novon Retail Company (Pty) Ltd.	South Africa	25%	**813**	1,036
Silvix Forestry (Pty) Ltd.	South Africa	25%	**45**	39
Société des Produits Industriels et Agricoles	Senegal	32%	**1,687**	607
Agri Fokus (Pty) Ltd.	South Africa	25%	**565**	517
Nexus AG (Pty) Ltd	South Africa	25%	**1,213**	1,418
			35,307	45,902

11 INVESTMENT IN JOINT VENTURE

Name of joint venture	**Country of incorporation**	**% holding**	**31-Mar-20 USD '000**	31-Mar-19 USD '000
Longreach Plant Breeders Management Pty Ltd, Australia	Australia	69%	**6,399**	7,226
United Phosphorous (Bangladesh) Limited	Bangladesh	50%	**7**	7
Hodogaya UPL Co. Limited(Note (a))	Japan	40%	**3,662**	3,348
			10,068	10,581

12 (A) OTHER FINANCIAL ASSETS

	31-Mar-20	31-Mar-19 Restated*
	USD '000	USD '000
Non-current financial assets		
Derivative assets	11,623	-
	11,623	-
Current assets		
Loans to employees	1,438	1,829
Interest receivable	183	195
Derivative assets	65,952	-
	67,573	2,024

12 (B) OTHER RECEIVABLES

	31-Mar-20	31-Mar-19 Restated*
Non-current assets (More than one year)	USD '000	USD '000
Sundry deposits	4,708	2,826
Advances**	38,217	36,295
	42,925	39,121
Current assets (Less than one year)		
Sundry deposits	3,389	5,002
Advances**	129,228	149,136
	132,617	154,138

** Advance recoverable in cash and kinds are majorly related to advances paid to suppliers for goods or services and Statutory receivables.

12 (C) ADVANCE TO RELATED PARTIES

	31-Mar-20	31-Mar-19 Restated*
	USD '000	USD '000
Non-current assets (More than one year)		
Advances to Related Parties	7,190	8,360
	7,190	8,360
Current assets (Less than one year)		
Advances to Related Parties	86,209	150,160
	86,209	150,160

These advances relate to advances given to related parties which are to be settled in future through supply of goods. For terms and conditions of related party transactions with holding company refer Note 43.

12 (D) ADVANCE TAX

	31-Mar-20	31-Mar-19 Restated*
Non-current assets (More than one year)	USD '000	USD '000
Income tax assets	2,174	24,567
	2,174	24,567
* Refer Note 46		
Current assets (Less than one year)		
Income tax assets	11,544	900
	11,544	900

12 (E) CONVERTIBLE LOAN NOTES

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Non-current		
Amira Nature Foods Limited	5,000	5,000
	5,000	5,000

The Company invested USD 5,000 thousand in 10% convertible loan notes issued by Amira Nature Foods Limited and convertible at USD 10.50 per share. Interest is payable semi-annually on 2 January and 1 July of each year. The directors are of the opinion that the carrying value of the above investment is fairly stated at cost and has not suffered any impairment in value.

12 (F) OTHER INVESTMENTS

Non-current

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Investments in task force	833	1,063
	833	1,063

Current

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Investment in Mutual Fund	13	283
	13	283

The Group makes contribution to task force which are engaged in conducting studies related to processes for products manufactured by Group / new products. The investment balance in task force represents share of the Group in the bank balances of task force. These investments are measured at fair value.

13 TRADE RECEIVABLES

	31-Mar-20	31-Mar-19 Revised*
Non-current asset (More than one year)	**USD '000**	USD '000
Receivables from customers		
	29,570	491
Current assets (Less than one year)		
Receivables from customers	**1,510,658**	1,680,434
Receivables from holding company	**13,153**	33,395
Less: Impairment loss on trade receivables	**(122,265)**	(153,362)
	1,401,546	1,560,467

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows -

	31-Mar-20 USD '000	31-Mar-19 USD '000
Opening balance	**153,362**	41,114
On account of Arysta Group acquisition	**-**	131,092
Foreign exchange movement	**(31,581)**	(9,275)
Reversal of ECL allowance for the year (refer note below)	(3,056)	(10,923)
Write-off	3,540	1,354
Total of Reversal and Write-off	**484**	(9,569)
Closing balance	**122,265**	**153,362**

ECL allowance has increased by USD 14,513 thousand due to collective impact of Covid-19 but overall reduced due to improvement in credit risk of trade receivables.

Trade receivables are non-interest bearing and are generally on terms of 45 to 270 days. For explanations on Group's Credit risk management process (Refer Note 48).
The Group has entered into an agreement to sell and assign its 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 31st March, 2020, the Group sold receivables which have been recognised of USD 928,204 thousands (USD 712,144 thousands at 31st March, 2019). For terms and conditions of related party transactions with holding company refer Note 43.
* Refer Note 46

14 CURRENT ASSETS HELD FOR SALE

Assets held for sale represents assets amounted to **USD 6,798** thousand (2019 (Restated*): USD 3,746 thousand, 1 April 2018: USD 3,058 thousand) 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.

15 INVENTORIES

	31-Mar-20 USD '000	31-Mar-19 Revised* USD '000
Stores and Spares	**6,727**	4,890
Packing Materials	**21,440**	9,675
Finished Products	**464,710**	643,772
By - Products	**195**	152
Semi-finished products	**43,535**	39,044
Traded goods	**124,472**	88,510
Raw materials	**197,920**	237,643
Work in Progress	**-**	14,957
	858,999	1,038,643

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 USD 150 thousands (31 March 2019: USD 783 thousands).
*Refer Note 46

16 CASH AND CASH EQUIVALENTS

	31-Mar-20 USD '000	31-Mar-19 USD '000
Cash at bank		
Current accounts	**746,040**	292,752
Fixed deposits (less than 3 months maturity)	**114,477**	87,127
Cash in hand	**530**	91
	861,047	379,970

17 (A) STATED CAPITAL

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Ordinary shares of USD 100 each, fully paid		
At 1 April	**18,102**	13,600
Additions	**-**	4,502
At 31 March	**18,102**	18,102
Number of ordinary shares	**181,024**	181,022

The stated capital of the Company comprises of 181,022 (2019: 181,022) ordinary shares with a par value of USD 100 per share. These shares are entitled to voting rights and to dividends. The shareholder has various rights under the Company's Constitution, including the rights to income distributions subject to solvency test and other legal requirements. They are also required to attend and vote at meeting of shareholders.

17 (B) DETAILS OF SHAREHOLDING

Name of the shareholder	31-Mar-20		31-Mar-19	
	No. in thousands	% holding in the class	No. in thousands	% holding in the class
UPL Limited	140,824	77.79%	140,824	77.79%
Platinum Lotus B 2018 RSC Limited and TPG Asia VII SF Pte Ltd. Throught Upswing Trust	40,198	22.21%	40,198	22.21%
	181,022	100%	181,022	100%

17 (C) PERPETUAL BONDS

During the year, the Group had raised USD 400 Mn through issue of Perpetual Subordinated Capital Securities (the "Securities"). 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 Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments. Interest is payable at the discretion of the issuer.

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Perpetual Subordinated Capital Securities	**400,000**	-
Expenses incurred	**(5,314)**	-
	394,686	-

17 (D) SHARE PREMIUM RESERVE

	31-Mar-20	31-Mar-19
	USD '000	USD '000
At 1 April	**1,314,670**	-
TPG and ADIA Contribution	**-**	1,195,980
UPL Limited, India Contribution	**-**	143,518
Share issue expenses	**(54)**	(24,828)
At 31 March	**1,314,616**	1,314,670

During the previous year, the Company issued 40,198 Ordinary shares of USD 100 each at a premium of USD 29,752.23 per share and 4,824 Ordinary shares of USD 100 each at a premium of USD 29,750.75 per share. The share issue expenses represent cost incurred in relation to additional investments made by TPG and ADIA.

18 BONDS

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Non-current		
USD 500m 3.25% Senior Notes Due 2021	**497,031**	496,966
USD 300m 4.50% Senior Notes Due 2028	**297,010**	295,764
	794,041	792,730

18 BONDS (CONTINUED)

During the previous year ended 31 March 2019, the Company issued USD 300 million 4.50% Senior Notes due 2028, which is being recorded at amortised cost. The net proceeds of the notes was USD 298,020 million and maturity date is 8 March 2028.These bonds are listed in the Singapore Exchange Limited.

Bonds of USD 500m 3.25% Senior Notes due 2021 are listed on Singapore Stock exchange at amortised cost amounted to USD 497,031 thousand (2019: USD 496,966 thousand) and are recorded at amortised cost bearing an interest rate of 3.25 %, repayable on 13th October 2021.

19 BORROWINGS

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Non-current liabilities (More than one year)		
Loan from Banks:		
Secured	**50**	212
Unsecured	**2,759,366**	2,948,956
	2,759,416	2,949,168
Loan from Others - Unsecured	**2,428**	2,525
Lease liability	**934**	4,387
	2,762,778	2,956,080
Current liabilities (Less than one year)		
Loan from Banks:		
Secured	**57,963**	69,558
Unsecured:		
- Working capital loan/ PCFC	**30,425**	144,569
Current maturities of long term debts	**109**	691
Interest accrued but not due on loans	**14,293**	26,028
	102,790	240,846

Below notes are for more than one year and current maturity of those borrowings.

(a) Foreign currency loan from banks (Unsecured)

(i) Unsecured loan from banks bears interest rates 3.4% and Prime + 2% amounting to **USD 109** thousand (previous year: USD 691 thousand) repayable within 1-5 years.

(ii) Unsecured loan from banks bears interest rates 3 month LIBOR + 1.60% amounting to **USD 2,759,366** thousand (previous year: USD 2,948,956 thousand) repayable on 29 January 2024.

(b) Foreign currency loan from banks (secured)

Foreign currency loan from banks for the year is USD 50 thousands (previous year: USD 212 thousand) secured by way of collateral of accounts receivable, property, plant and equipment and inventories carrying interest rate of 6.15% - 13.85% payable within 1-3 years.

(c) From others (Unsecured)

Unsecured term loan from others amounting to **USD 2,428** thousand (Previous year: USD 2,525 thousand) carrying interest rate of 2 %.

20 PROVISIONS

	31-Mar-20		31-Mar-19	
	Long-term provisions	**Short-term provisions**	Long-term provisions Revised*	Short-term provisions Restated / Revised*
	USD '000	**USD '000**	USD '000	USD '000
(A) EMPLOYMENT BENEFITS				
Provision for post-employment benefits	**15,095**	**-**	20,094	-
Leave entitlement	**-**	**8,781**	-	21,623
Jubilee provision (Note D)	**195**	**-**	217	-
Total (A)	**15,290**	**8,781**	20,311	21,623
(B) OTHER PROVISIONS				
Environmental provision (Note E)	**1,591**	**1,572**	2,102	5,023
Labour claim (Note F)	**1,350**	**-**	524	-
Provision for litigation (Note G)	**-**	**99,131**	-	67,707
Other provisions	**-**	**4,537**	-	2,180
	2,941	**105,240**	2,626	74,910
TOTAL (A + B)	**18,231**	**114,021**	22,937	96,533

*Refer Note 46

(C) MOVEMENT OF OTHER PROVISIONS

	Environmental provision	**Labour Claim provision**	**Provision for litigation**	**Other provision**
	31-Mar-20	**31-Mar-20**	**31-Mar-20**	**31-Mar-20**
	USD '000	**USD '000**	**USD '000**	**USD '000**
Opening balances	**7,125**	**524**	**67,707**	**2,180**
Provisions:				
- Created	**910**	**957**	**31,424**	**3,141**
- Utilised	**(4,872)**	**-**	**-**	**(747)**
Foreign currency translation effect	**-**	**(131)**	**-**	**(37)**
Closing balances	**3,163**	**1,350**	**99,131**	**4,537**

(D) 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.

(E) 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.

20 PROVISIONS (CONTINUED)

(F) Labour 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 cessations of the respective events.

(G) Provision for litigation

Provision for litigation includes litigations and provisions that were recognised on acquisition of Arysta Group for possible litigation as a result of previous claims against Arysta Group and lititgation with Agrofresh Inc. as described below.
AgroFresh Inc., a US based company, filed a litigation in 2016 against a subsidiary of the Group and the Company for among others: misappropriation of trade secrets, infringement of patents, loss of profits and unjust enrichment. On 11 October 2019 a jury under the Federal District Court, Delaware, rendered a verdict against the subsidiary for an aggregate amount of approximately USD 31,000 thousands. This verdict is not the final judgement of this court and is subject to post-trial motions.
The subsidiary has filed post-trial motions challenging the verdict, including, a reduction in the damages and a declaration that the subsidiary did not misappropriate AgroFresh's trade secret. The court is expected to deliver a final judgement in and around May or June 2020. The final judgement of this court will further be subject to appeal in a superior court. While the Group will seek to remedy the adverse judgement passed by the court, this amount has been provided for in the current year as an exceptional item in the statement of profit and loss.

21 TAXATION

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15% (2019: 15%). The Company has received its Category 1 Global Business Licence (''GBL1'') before 16th October 2017 and is therefore, grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 (''FA 2018'') till 30th June 2021. As from 1st July 2021, the Company's GBL1 licence will automatically be converted to a Global Business Licence (''GBL''). The Company will therefore operate under the current tax regime up to 30th June 2021.

Until 30th June 2021, the Company's foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all its foreign sourced income.

However, effective from 1 January 2019 and subject to the following transitional provisions, credit in respect of the 80% presumed foreign tax has been abolished:

Corporations issued with a Category 1 Global Business Licence (GBC 1 Licence) on or before:	Transitional Provisions
16-Oct-17	Credit in respect of 80% presumed foreign tax available up to 30 June 2021

Effective 1 January 2019, an 80% partial exemption has been introduced. The partial exemption is available on following specified income, and as applicable, is conditional on the Company satisfying the conditions relating to the substance of its transactions, as prescribed by the Financial Services Commission.
- Foreign source dividend
- Interest income
- Income attributable to a permanent establishment which a resident company has in a foreign country
- Income derived by a collective investment scheme (CIS), closed end fund, CIS Manager, CIS Administrator, Investment Advisor or Asset Manager
- Income derived by companies engaged in ship and aircraft leasing
- Leasing and provision of international fibre capacity
- Reinsurance and reinsurance brokering activities
- Sale, financing arrangement, asset management of aircraft and its spare parts and aviation related advisory services

Gains or profits from the sale of units, securities or debt obligations are exempt from tax in Mauritius.

21 TAXATION (CONTINUED)

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Consolidated statement of profit or loss:

Profit or loss section

	31-Mar-20	31-Mar-19
		Restated and Revised*
	USD'000	USD'000
Current income tax:		
Current income tax charge	96,488	47,575
Deferred tax:		
Relating to origination and reversal of temporary differences	(23,407)	(35,090)
Income tax expense reported in the statement of profit or loss	**73,081**	12,485

*Refer Note 46

OCI section

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Gain on FVTOCI financial assets and net gain/loss on remeasurement of defined benefit plans.	1,015	796
Income tax charged to OCI	**1,015**	796

Reconciliation of tax expense and the accounting profit multiplied by Mauritius's domestic tax rate for 31 March 2020 and 31 March 2019:

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Accounting profit before tax	**315,430**	154,046
Accounting profit before income tax	315,430	154,047
At Mauritius' statutory income tax rate of **3%** (31 March 2019: 3%)	9,463	4,621
Profit taxable at higher/lower/nil tax rates in certain jurisdictions	2,900	(33,688)
Additional deduction on expenditure on research and development	(483)	(1,071)
Adjustment of tax relating to previous years	1,051	(160)
Other tax credits and allowances	(9,343)	(1,734)
Income exempt for tax purpose	(29,872)	(7,287)
Impact of change in tax rates	(75)	290
Utilisation of previously unrecognised tax losses	(1,149)	279
Share of results of associates and joint ventures	(2,406)	(647)
Other non-deductible expenses	75,266	9,583
Profit/(Loss) on sale of subsidiary	-	14
Unrecognised deferred tax asset on carry forward losses	20,195	27,343
Others	7,534	14,942
At the effective income tax rate of **23.17%** (31 March 2019: 8.10%)	**73,081**	12,485
Income tax expense reported in the statement of profit or loss	73,081	12,485
	23.17%	8.10%

21 TAXATION (CONTINUED)

Deferred tax relates to the following:

	Balance Sheet		**Statement of profit or loss**	
	31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19
	USD'000	USD'000	USD'000	USD'000
Differences in carrying values of property,plant & equipment.	(13,836)	(15,758)	1,922	5,549
Fair value of derivatives	(547)	(1,434)	886	(1,434)
Unrealised profits on intercompany transactions	43,781	(7,522)	51,303	(35,932)
Financial assets impairment - expected credit loss	24,825	29,450	(4,626)	15,837
Carry forward of tax losses and unabsorbed depreciation	(32,174)	15,715	(47,889)	2,955
Leave encashment	-	-	-	(14)
Minimum alternative tax credit	-	-	-	(867)
Defined benefits obligation - Gratuity	565	2,669	(2,103)	1,805
Provisions and others	68,941	47,293	21,648	28,574
Adjustment to PV of Assets / Liabilities	(266)	835	(1,100)	(2,600)
Unrealized gain on securities	-	(1,156)	1,155	(1,156)
Exchange impact	(6,702)	4,037	-	-
Amortization of Goodwill	(3,613)	(7,568)	3,955	(7,568)
Deferred tax recognised on fair valued assets and liabilities on PPA accounting for Arista Group acquisition -	(202,448)	(225,427)	25,556	18,438
Tax benefits	4,577	5,655	(1,078)	5,655
Lease assets and lease liabilities	163	-	163	-
Valuation Allowance	(4,968)	-	(4,968)	-
Deferred tax recognized on uncertain tax provision	(5,033)	-	-	-
Deferred Tax on OCI reserve	926	(89)	-	-
Others	(7,424)	13,994	(21,418)	5,848
Deferred tax expense/(income)			**23,407**	35,090
Net deferred tax assets/(liabilities)	**(133,231)**	(139,305)		

Reflected in the balance sheet as follows:

	31-Mar-20	31-Mar-19 Restated*
	USD'000	USD'000
Deferred tax assets	213,031	172,664
Deferred tax liabilities	(346,262)	(311,969)
Net Deferred Tax Liabilities	**(133,231)**	(139,305)

Reconciliation of deferred tax assets or liabilities (net):

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Opening balance as of 1 April	(139,305)	65,522
Tax income/(expense) during the period recognised in profit or loss	23,407	35,090
Tax income/(expense) during the period recognised in OCI	1,015	796
Deferred tax recognised in business combinations**	(18,348)	(240,713)
Closing balance as at 31 March	**(133,231)**	(139,305)

* Refer Note 46
**Including deferred tax recognised for PPA for Arysta

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 **USD 257,349** thousands (31 March 2019: USD 172,881 thousands) that are available for offsetting for period up to 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 USD 20,195 thousands.

21 TAXATION (CONTINUED)

The Group has not recognized 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.

22 OTHER LONG TERM LIABILITIES

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Deferred payment liability	**5,445**	11,406
Derivative contracts	**-**	7,697
	5,445	19,103

23 TRADE PAYABLES

	31-Mar-20	31-Mar-19 Revised*
	USD '000	USD '000
Current		
Sundry creditors for goods	**669,155**	614,966
Sundry creditors for expenses	**253,000**	406,219
Trade payables to holding company and its subsidiaries	**241,797**	236,215
	1,163,952	1,257,400

* Refer Note 46

For terms and conditions of related party transactions with holding company refer Note 43.

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 49.

24 OTHER PAYABLES

	31-Mar-20	31-Mar-19 Revised*
	USD '000	USD '000
Accrued liabilities	**141,915**	62,041
Creditors for Capital goods	**104**	495
Statutory Liabilities	**62,079**	62,075
Advances against orders	**173,679**	36,083
Trade deposits	**677**	524
Current maturities of deferred payment liability	**309**	89,833
	378,763	251,051

*Refer Note 46

25 REVENUE FROM OPERATIONS

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Sale of products (Net)	4,441,795	2,559,799
Sale of products to holding company	28,829	19,570
Other income from operations	16,189	23,453
	4,486,813	2,602,822

Other income from operations

Job work or service income and others	13,857	9,436
Discount received	216	237
Commission Received	1,410	9,381
Excess Provision of earlier year written back	345	- 3,456
Export incentives	130	52
Royalty income	231	891
	16,189	23,453

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Geographical revenue		
Rest of World	1,008,505	485,978
Europe	740,134	491,780
North America	787,523	531,439
Latin America	1,950,651	1,093,625
	4,486,813	2,602,822

25 REVENUE FROM OPERATIONS (CONTINUED)

Disclosure under IFRS 15 - Revenue from Contract with Customers

The Group is engaged into manufacturing of agrochemicals, industrial chemicals and production and sale of vegetable and field crops. There is no impact on the Group's revenue on applying IFRS 15 from the contract with customers.

Disaggregation of revenue from contracts with customers

(a) The management determines that there is only one segment, that is, Agro Chemical considering materiality. Hence, no separate disclosures of disaggregation of revenues is reported which is required as per IFRS 15 Revenue from contract with customers.

(b) The Group's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270 days.

(c) Contract balances

Particulars	**31-Mar-20 USD '000**	31-Mar-19 USD '000
Trade receivables (refer note 13)	**1,431,115**	1,560,958
Contract liabilities (refer note 24)	**173,679**	36,083

(d) Reconciliation of revenue from contract with customer

Particulars	**31-Mar-20 USD '000**	31-Mar-19 USD '000
Revenue from contract with customer as per the contract price	**4,873,030**	2,960,800
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	**(258,637)**	(292,004)
b) Sales Returns /Credits / Reversals	**(143,768)**	(89,428)
Revenue from contract with customer	**4,470,625**	2,579,368
Sale of services	**13,857**	9,436
Other operating revenue	**2,331**	14,018
Revenue from operations	**4,486,813**	2,602,822

Discounts / Rebates / Incentives

The Group 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 scheme as at 31 March 2020. 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.

26 DIRECT COST

	31-Mar-20 USD '000	31-Mar-19 USD '000
Purchases of agro-chemical, bio solution and other products	**2,643,367**	1,522,732
Power and fuel	**10,255**	8,542
Processing charges	**122,755**	100,550
Rebate, commission and discount	**18,346**	14,543
Effluent disposal charges	**6,989**	5,006
Water charges	**881**	523
Non Recoverable taxes-variable cost	**2,961**	2,274
Transport charges	**102,746**	61,099
Royalty charges	**9,582**	6,913
	2,917,882	1,722,182

27 OTHER INCOME

	31-Mar-20 USD '000	31-Mar-19 USD '000
Rent	**14**	39
Miscellaneous receipts	**724**	1,255
Gain on disposal of non-financial assets	**486**	382
	1,224	1,676

28 OTHER EXPENSES

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Rent	**9,258**	15,569
Travelling and conveyance	**47,470**	33,074
Sundry expenses	**42,904**	24,168
Registration charges	**16,994**	9,638
Labour charges	**5,827**	4,782
Employee benefits expense	**388,089**	216,491
Stores and spares consumed	**9,752**	6,710
Repairs to building	**3,217**	2,248
Repairs to machinery	**10,343**	7,854
General repairs	**17,838**	11,731
Rates and taxes	**15,876**	6,391
General insurance charges	**14,641**	7,174
Credit insurance	**3,777**	1,905
Advertisement and sales promotion	**59,610**	34,216
Legal and professional fees	**57,975**	31,951
Charity and donations	**782**	513
Assets written off	**2,029**	620
Warehousing costs	**26,440**	14,669
Communication costs	**7,911**	4,451
Research and development expenses	**341**	4,117
Exchange Difference (Net)	**48,161**	34,890
	789,235	473,162

The sundry credit balances written back previously shown under other income amounting to USD 1,589 thousands have been moved to sundry expenses for better presentation.

29 FINANCE COSTS

	31-Mar-20 USD '000	31-Mar-19 USD '000
<u>Interest:</u>		
- On term loans	**126,560**	58,297
- On cash credit and working capital demand loan accounts	**23,563**	22,750
- On fixed deposit and fixed loan	**164**	77
- On others	**21,622**	11,016
Exchange difference	**(23,751)**	29,600
Other financial charges	**13,047**	7,118
Interest on lease obligation	**4,177**	5,808
Unwinding of interest on trade payable	**6,717**	7,659
	172,099	142,325

30 FINANCE INCOME

	31-Mar-20 USD '000	31-Mar-19 USD '000
Income from long term investments	**35**	17
Interest on loan deposits	**7,519**	15,107
	7,554	15,124

31 RESTRUCTURING COSTS

The amount of **USD 37,172 thousand** (2019: USD 52,918 thousand) which is of an exceptional nature, represents restructuring cost related to the Company's business in the Latin America. Restructuring is in process and expenses are recognised as and when incurred. Management believes that here are no other known cost which require to be provided for as of 31 March 2020.

32 LITIGATION COSTS

During the year, the Group incurred an amount of **USD 49,307 thousand** (2019: USD 11,274 thousand) 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 US subsidiary of the Group for infringement of patent, loss of profits and unjust enrichment. On 11 October 2019 a jury under the Federal District Court, rendered a verdict against the subsidiary and in favour of compititor. An aggregate amount of approximately USD 31,000 thousand has been incurred for the year ended 31 March 2020. The balance amount of USD 18,307 thousand relates to other litigation costs. The above amounts represent the litigation costs expensed during the period and has been included in Note 20 provisions.

33 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:

During the year ended 31 March 2020

	Attributable to the owners of the parent				**Attributable to non controlling interest**	**Total**
	Cash flow hedge reserve	**FVTOCI reserve**	**Foreign currency translation reserve**	**Retained earnings**		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Foreign exchange translation differences	-	-	(170,548)	-	(12,241)	(182,789)
Impact of hedging done	(18,747)	-	-	-	-	(18,747)
Gain/(loss) on FVTOCI financial assets	-	(3,825)	-	-	-	(3,825)
Re-measurement gains/(losses) on defined benefit plans	-	-	-	(1,391)	-	(1,391)
Total	**(18,747)**	**(3,825)**	**(170,548)**	**(1,391)**	**(12,241)**	**(206,752)**

During the year ended 31 March 2019

	Attributable to the owners of the parent				Attributable to non controlling interest	Total
	Cash flow hedge reserve	FVTOCI reserve	Foreign currency translation reserve	Retained earnings		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Foreign exchange translation differences	-	-	(101,016)	-	(8,138)	(109,154)
Impact of hedging done	(11,531)	-	-	-	-	(11,531)
Gain/(loss) on FVTOCI financial assets	-	(7,430)	-	-	-	(7,430)
Re-measurement gains/(losses) on defined benefit plans	-	-	-	(336)	-	(336)
Total	(11,531)	(7,430)	(101,016)	(336)	(8,138)	(128,451)

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 company'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 derecognized.

Re-measurement gains/(losses) on defined benefit plans

Remeasurement of defined benefit plans comprises acturial gains and losses and return on plan assets (excluding interest income).

34 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the number of ordinary shares in issue during the year.

	31-Mar-20 USD'000	31-Mar-19 USD'000 Revised*
Profit for the year	**242,349**	141,561
Profit attributable to non-controlling interest	**(6,206)**	(3,004)
Profit attributable to equity holders of the parent	**236,143**	138,557
Weighted average number of Equity shares for basic EPS	**181**	144
Effect of dilution:		
Weighted average number of Equity shares adjusted for the effect of dilution	**181**	144
Basic earnings per share	**1,304**	966
Diluted earnings per share	**1,304**	966

* Refer Note 46

The Company has voluntarily disclosed it's earning per share as disclosed above

Weighted-average number of ordinary shares

Particulars	**31-Mar-20**	31-Mar-19
Issued ordinary shares at 1 April	181,022	136,000
Prorata effect of shares issued during the year (45,022 issued on 31 January 2019)	-	7,503
Total	181,022	143,503
Weighted-average number of ordinary shares at 31 March ('000)	181	144
Total number of ordinary shares at 31 March ('000)	181	181

35 LIST OF SUBSIDIARIES

The list of subsidiaries, associates and joint venture companies considered for consolidation together with the proportion of shareholding held by the Group is as follows:

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
1	UPL Europe Limited	Crop protection	United Kingdom		100%	100%
2	UPL Deutschland GmbH	Crop protection	Germany	$$1	100%	100%
3	UPL Polska Sp z.o.o.	Crop protection	Poland		100%	100%
4	UPL Benelux B.V.	Crop protection	Netherlands		100%	100%
5	Cerexagri B.V.	Crop protection	Netherlands		100%	100%
6	United Phosphorus Holdings Cooperatief U.A.	Crop protection	Netherlands		100%	100%
7	United Phosphorus Holdings B.V.	Crop protection	Netherlands		100%	100%
8	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Crop protection	Netherlands		100%	100%
9	Decco Worldwide Post-Harvest Holdings B.V.	Crop protection	Netherlands		100%	100%
10	United Phosphorus Holding, Brazil B.V.	Crop protection	Netherlands		100%	100%
11	UPL Italia S.R.L.	Crop protection	Italy		100%	100%
12	UPL Iberia, S.A.	Crop protection	Spain		100%	100%
13	Decco Iberica Postcosecha, S.A.U.	Crop protection	Spain		100%	100%
14	Transterra Invest, S. L. U.	Crop protection	Spain		100%	100%
15	Cerexagri S.A.S.	Crop protection	France		100%	100%
16	Neo-Fog S.A.	Crop protection	France		100%	100%
17	UPL France	Crop protection	France		100%	100%
18	United Phosphorus Switzerland Limited	Crop protection	Switzerland		100%	100%
19	Agrodan, ApS	Crop protection	Denmark		100%	100%
20	Decco Italia SRL	Crop protection	Italy		100%	100%
21	Limited Liability Company "UPL"	Crop protection	Russia		100%	100%
22	Decco Portugal Post Harvest, Unipessoal LDA (formerly known as UPL Portugal Unipessoal LDA)	Crop protection	Portugal		100%	100%
23	United Phosphorus Inc.	Crop protection	USA		100%	100%
24	UPI Finance LLC	Crop protection	USA		100%	100%
25	Cerexagri, Inc. (PA)	Crop protection	USA		100%	100%
26	UPL Delaware, Inc.	Crop protection	USA		100%	100%
27	Canegrass LLC	Crop protection	USA		70%	70%
28	Decco US Post-Harvest Inc	Crop protection	USA		100%	100%
29	RiceCo LLC	Crop protection	USA		100%	100%
30	Riceco International, Inc.	Crop protection	Bahamas		100%	100%
31	UPL Corporation Limited	Crop protection	Mauritius		100%	100%
32	UPL Limited	Crop protection	Gibraltar		-	-
33	UPL Management DMCC	Crop protection	United Arab Emirates		100%	100%
34	UPL Agro S.A. de C.V.	Crop protection	Mexico		100%	100%
35	Decco Jifkins Mexico Sapi	Crop protection	Mexico		100%	100%

35 LIST OF SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
36	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Crop protection	Brazil		100%	100%
37	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Crop protection	Brazil	$$2	100%	100%
38	UPL Costa Rica S.A.	Crop protection	Costa Rica		100%	100%
39	UPL Bolivia S.R.L	Crop protection	Bolivia		100%	100%
40	UPL Paraguay S.A.	Crop protection	Paraguay		100%	100%
41	Icona Sanluis S.A.	Crop protection	Argentina		100%	100%
42	UPL Argentina S A	Crop protection	Argentina		100%	100%
43	Decco Chile SpA	Crop protection	Chile		100%	100%
44	UPL Colombia SAS	Crop protection	Colombia		100%	100%
45	United Phosphorus Cayman Limited	Crop protection	Cayman Islands		100%	100%
46	UP Aviation Limited	Crop protection	Cayman Islands		100%	100%
47	UPL Australia Limited	Crop protection	Australia		100%	100%
48	UPL New Zealand Limited	Crop protection	New Zealand		100%	100%
49	UPL Shanghai Limited	Crop protection	China		100%	100%
50	UPL Limited (Korea)	Crop protection	Korea		100%	100%
51	PT.UPL Indonesia	Crop protection	Indonesia		100%	100%
52	PT Catur Agrodaya Mandiri	Crop protection	Indonesia		100%	100%
53	UPL Limited	Crop protection	Hong Kong		100%	100%
54	UPL Philippines Inc.	Crop protection	Philippines		100%	100%
55	UPL Vietnam Co. Limited	Crop protection	Vietnam		100%	100%
56	UPL Limited, Japan	Crop protection	Japan		100%	100%
57	Anning Decco Fine Chemical Co. Limited	Crop protection	China		55%	55%
58	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Crop protection	Turkey		100%	100%
59	UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve Ticaret A.S.	Crop protection	Turkey		100%	100%
60	Safepack Products Limited	Crop protection	Israel		100%	100%
61	Citrashine (Pty) Ltd	Crop protection	South Africa		100%	100%
62	Prolong Limited	Crop protection	Israel		100%	100%
63	Perrey Participações S.A	Crop protection	Brazil		100%	100%
64	Advanta Netherlands Holding B.V.	Seed Business	Netherlands		99%	99%
65	Advanta Semillas SAIC	Seed Business	Argentina		99%	99%
66	Advanta Holdings B.V.	Seed Business	Netherlands		99%	99%
67	Advanta Seeds International	Seed Business	Mauritius		90%	90%
68	Pacific Seeds Holdings (Thailand) Limited	Seed Business	Thailand		99%	99%
69	Pacific Seeds (Thai) Limited	Seed Business	Thailand		99%	99%
70	Advanta Seeds Pty Ltd	Seed Business	Australia		99%	99%
71	Advanta US LLC (formerly known as Advanta U.S. Inc.)	Seed Business	USA		100%	100%
72	Advanta Comercio De Sementes LTDA.	Seed Business	Brazil		99%	99%
73	PT Advanta Seeds Indonesia	Seed Business	Indonesia		95%	95%
74	Advanta Seeds DMCC	Seed Business	United Arab Emirates		90%	90%
75	Essentiv LCC	Crop protection	USA		50%	50%
76	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Crop protection	Mauritius		100%	100%

35 LIST OF SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
77	UPL Jiangsu Limited	Crop protection	China		70%	70%
78	Riceco International Bangladesh Ltd	Crop protection	Bangladesh		100%	100%
79	Uniphos Malaysia Sdn Bhd	Crop protection	Malaysia		100%	100%
80	Advanta Seeds Ukraine LLC	Seed Business	Ukraine		99%	99%
81	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.	Crop protection	Turkey	@	100%	100%
82	Arysta LifeScience Investments LLC	Crop protection	USA	@1	100%	100%
83	Arysta LifeScience America Inc.	Crop protection	USA	@1	100%	100%
84	ANESA S.A.	Crop protection	Belgium	@1	100%	100%
85	Arysta LifeScience Management Company, LLC	Crop protection	USA	@1	100%	100%
86	Arysta LifeScience SPC, LLC	Crop protection	USA	@1	100%	100%
87	Arysta LifeScience India Limited	Crop protection	India	@1	100%	100%
88	Arysta LifeScience Agriservice Private Limited	Crop protection	India	@1	100%	100%
89	Arysta LifeScience Togo SAU	Crop protection	Togo	@1	100%	100%
90	Arysta Agro Private Limited	Crop protection	India	@1	100%	100%
91	Arysta LifeScience do Brasil Indústria Química e Agropecuária SA	Crop protection	Brazil	@1, $$2	87%	87%
92	Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda	Crop protection	Brazil	@1, $	100%	100%
93	GBM USA LLC	Crop protection	USA	@1	100%	100%
94	Arysta LifeScience Canada, Inc.	Crop protection	Canada	@1	100%	100%
95	Arysta LifeScience Canada BC Inc.	Crop protection	Canada	@1	100%	100%
96	Arysta LifeScience North America, LLC	Crop protection	USA	@1	100%	100%
97	Arysta LifeScience NA Holding LLC	Crop protection	USA	@1	100%	100%
98	Arysta LifeScience Inc.	Crop protection	USA	@1	100%	100%
99	Arysta LifeScience Services LLP	Crop protection	India	@1	100%	100%
100	Arysta LifeScience France SAS	Crop protection	France	@1, $$3	100%	100%
101	Arysta LifeScience Benelux SPRL	Crop protection	Belgium	@1	100%	100%
102	Arysta LifeScience (Mauritius) Ltd	Crop protection	Mauritius	@1	100%	100%
103	Arysta LifeScience South Africa (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
104	Arysta Health and Nutrition Sciences Corporation	Health Nutrition Solution	Japan	@1	100%	100%
105	Arysta LifeScience Corporation	Crop protection	Japan	@1	100%	100%
106	Arysta LifeScience S.A.S.	Crop protection	France	@1	100%	100%
107	Arysta LifeScience Chile S.A.	Crop protection	Chile	@1	100%	100%
108	Arysta LifeScience Mexico, S.A.de C.V	Crop protection	Mexico	@1	100%	100%
109	Grupo Bioquimico Mexicano, S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
110	MacDermid Agricultural Solutions Netherlands Cooperatief UA	Crop protection	Netherlands	@1	100%	100%
111	Arysta LifeScience UK & Ireland Ltd	Crop protection	U.K.	@1	100%	100%
112	Arysta LifeScience Europe Sarl	Crop protection	France	@1, $$4	100%	100%
113	MacDermid Agricultural Solutions Italy Srl	Crop protection	Italy	@1	100%	100%
114	Platform Sales Suisse GmbH	Crop protection	Switzerland	@1	100%	100%
115	MacDermid Agricultural Solutions Holdings BV	Crop protection	Netherlands	@1	100%	100%
116	Dutch Agricultural Investment Partners LLC	Crop protection	Netherlands	@1	100%	100%
117	Netherlands Agricultural Investment Partners LLC	Crop protection	Netherlands	@1	100%	100%
118	Arysta LifeScience Bulgaria EOOD	Crop protection	Bulgaria	@1	100%	100%
119	Arysta LifeScience Romania SRL	Crop protection	Romania	@1	100%	100%
120	Arysta LifeScience Kiev LLC	Crop protection	Ukraine	@1	100%	100%

35 LIST OF SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
121	Arysta LifeScience Great Britain Ltd	Crop protection	U.K.	@1	100%	100%
122	Arysta LifeScience Technology BV	Crop protection	Netherlands	@1	100%	100%
123	Arysta LifeScience Netherlands BV	Crop protection	Netherlands	@1	100%	100%
124	Arysta LifeScience RUS LLC	Crop protection	Russia	@1	100%	100%
125	Netherlands Agricultural Technologies CV	Crop protection	Netherlands	@1, $	100%	100%
126	Dutch Agricultural Formations CV	Crop protection	Netherlands	@1, $	100%	100%
127	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Crop protection	Turkey	@1	100%	100%
128	Arysta LifeScience Australia Pty Ltd.	Crop protection	Australia	@1	100%	100%
129	Chemtura (Thailand) Ltd	Crop protection	Thailand	@1	100%	100%
130	MacDermid (Shanghai) Chemical Ltd.	Crop protection	China	@1	100%	100%
131	Arysta-LifeScience Ecuador S.A.	Crop protection	Ecuador	@1	100%	100%
132	Arysta LifeScience Ougrée Production Sprl	Crop protection	Belgium	@1	100%	100%
133	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Crop protection	Greece	@1	100%	100%
134	Arysta LifeScience Iberia SLU	Crop protection	Spain	@1	100%	100%
135	Arysta Lifescience Italia SrL	Crop protection	Italy	@1, $$5	100%	100%
136	Agriphar Poland Sp. Zoo	Crop protection	Poland	@1	100%	100%
137	Arysta LifeScience Switzerland Sarl	Crop protection	Switzerland	@1	100%	100%
138	Arysta Animal Health SAS	Animal Health	France	@1	100%	100%
139	PPWJ Sci	Animal Health	France	@1	100%	100%
140	Santamix Iberica SL	Animal Health	Spain	@1	100%	100%
141	Arysta LifeScience Global Services Limited	Crop protection	Ireland	@1	100%	100%
142	Arysta LifeScience European Investments Limited	Crop protection	U.K.	@1	100%	100%
143	Arysta LifeScience U.K. Limited	Crop protection	U.K.	@1	100%	100%
144	Arysta LifeScience U.K. CAD Limited	Crop protection	U.K.	@1	100%	100%
145	Arysta LifeScience U.K. EUR Limited	Crop protection	U.K.	@1	100%	100%
146	Arysta LifeScience U.K. JPY Limited	Crop protection	U.K.	@1	100%	100%
147	Arysta LifeScience U.K. USD Limited	Crop protection	U.K.	@1	100%	100%
148	Arysta Lifescience U.K. Holdings Limited	Crop protection	U.K.	@1	100%	100%
149	Arysta LifeScience Japan Holdings Goudou Kaisha	Crop protection	Japan	@1	100%	100%
150	Arysta LifeScience Cameroun SA	Crop protection	Cameroon	@1	100%	100%
151	Callivoire SGFD S.A.	Crop protection	Cote D'Ivoire	@1	100%	100%
152	Arysta LifeScience Egypt Ltd	Crop protection	Egypt	@1	100%	100%
153	Calli Ghana Ltd.	Crop protection	Ghana	@1	100%	100%
154	Arysta LifeScience Kenya Ltd.	Crop protection	Kenya	@1	100%	100%
155	Mali Protection Des Cultures (M.P.C.) SA	Crop protection	Mali	@1	85%	85%
156	Agrifocus Limitada	Crop protection	Mozambique	@1	100%	100%
157	Arysta LifeScience Holdings SA (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
158	Anchorprops 39 (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
159	Callietha Investments (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
160	Sidewalk Trading (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
161	Volcano Agroscience (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
162	Volcano Chemicals (Pty) Ltd	Crop protection	South Africa	@1	100%	100%
163	Arysta LifeScience Tanzania Ltd	Crop protection	Tanzania	@1	100%	100%
164	Arysta LifeScience (Shanghai) Co., Ltd.	Crop protection	China	@1	100%	100%
165	Pt. Arysta LifeScience Tirta Indonesia	Crop protection	Indonesia	@1	50%	50%
166	Arysta LifeScience Korea Ltd.	Crop protection	Korea	@1	100%	100%
167	Arysta LifeScience Pakistan (Pvt.) LTD.	Crop protection	Pakistan	@1	100%	100%
168	Arysta LifeScience Philippines Inc.	Crop protection	Philippines	@1	100%	100%
169	Arysta LifeScience Asia Pte., Ltd.	Crop protection	Singapore	@1	100%	100%
170	Arysta LifeScience (Thailand) Co., Ltd.	Crop protection	Thailand	@1	100%	100%

35 LIST OF SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
171	Arysta LifeScience Vietnam Co., Ltd.	Crop protection	Vietnam	@1	100%	100%
172	Arysta LifeScience Holdings France SAS	Crop protection	France	@1	100%	100%
173	Goëmar Développement SAS	Crop protection	France	@1, $$6	100%	100%
174	Laboratoires Goëmar SAS	Crop protection	France	@1	100%	100%
175	Natural Plant Protection S.A.S.	Crop protection	France	@1	100%	100%
176	Arysta LifeScience Czech s.r.o.	Crop protection	Czech Rpb	@1	100%	100%
177	Arysta LifeScience Germany GmbH	Crop protection	Germany	@1	100%	100%
178	Arysta LifeScience Magyarorszag Kft.	Crop protection	Hungary	@1	100%	100%
179	Arysta LifeScience Polska Sp. z.o.o	Crop protection	Poland	@1	100%	100%
180	Betel Reunion S.A.	Crop protection	Reunion(Fr)	@1	66%	66%
181	Arysta LifeScience Vostok Ltd.	Crop protection	Russia	@1	100%	100%
182	Arysta LifeScience Slovakia S.R.O.	Crop protection	Slovakia	@1	100%	100%
183	Arysta LifeScience Ukraine LLC	Crop protection	Ukraine	@1	100%	100%
184	Arysta LifeScience Global Limited	Crop protection	U.K.	@1	100%	100%
185	Arysta LifeScience Argentina S.A.	Crop protection	Argentina	@1	100%	100%
186	Arysta LifeScience Colombia S.A.S	Crop protection	Colombia	@1	100%	100%
187	Arysta LifeScience CentroAmerica, S.A.	Crop protection	Guatemala	@1	100%	100%
188	Arysta LifeScience Mexico Holding S.A.de C.V	Crop protection	Mexico	@1	100%	100%
189	Bioenzymas S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
190	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
191	Omega Agroindustrial, S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
192	Agroquimicos y Semillas, S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
193	Servicios Agricolas Mundiales SA de CV	Crop protection	Mexico	@1	100%	100%
194	Tecno Extractos Vegetales, S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
195	Tesaurus Mexico S.A. de C.V.	Crop protection	Mexico	@1	100%	100%
196	Arysta LifeScience Paraguay S.R.L.	Crop protection	Paraguay	@1	100%	100%
197	Arysta LifeScience Peru S.A.C	Crop protection	Peru	@1	100%	100%
198	Arysta LifeScience Costa Rica SA.	Crop protection	Costa Rica	@1	100%	100%
199	Arysta LifeScience de Guatemala, S.A.	Crop protection	Guatemala	@1	100%	100%
200	Arysta LifeScience S.R.L.	Crop protection	Bolivia	@1	67%	67%
201	Myanmar Arysta LifeScience Co., Ltd.	Crop protection	Myanmar	@1	100%	100%
202	Arysta LifeScience U.K. BRL Limited	Crop protection	U.K.	@1	100%	100%
203	Etec Crop Solutions Limited	Crop protection	New Zealand	@1	100%	100%
204	MacDermid Agricultural Solutions Australia Pty Ltd	Crop protection	Australia	@1	100%	100%
205	Arvesta Corporation	Crop protection	USA	@1	100%	100%
206	Arysta LifeScience Registrations Great Britain Ltd	Crop protection	U.K.	@1	100%	100%
207	Agriphar SDN BHD	Crop protection	Malaysia	@1	100%	100%
208	Agriphar de Costa Rica SA	Crop protection	Costa Rica	@1, $	100%	100%
209	Agriphar de Colombia SAS	Crop protection	Colombia	@1, $	100%	100%
210	Industrias Agriphar SA	Crop protection	Guatemala	@1	100%	100%

35 LIST OF SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019-20	2018-19
211	Kempton Chemicals (Pty) Ltd	Crop protection	South Africa	@1, $	100%	100%
212	Agripraza Ltda.	Crop protection	Portugal	@1	100%	100%
213	Arysta LifeScience Corporation Republica Dominicana, SRL	Crop protection	Dominican Rpb	@1	100%	100%
214	Grupo Bioquimico Mexicano Republica Dominicana SA	Crop protection	Dominican Rpb	@1	100%	100%
215	Arysta LifeScience Ecuador S.A.	Crop protection	Ecuador	@1, $	100%	100%
216	Arvesta Paraguay S.A.	Crop protection	Paraguay	@1	100%	100%
217	Arysta Agroquimicos y Fertilzantes Uruguay SA	Crop protection	Uruguay	@1	100%	100%
218	Arysta LifeScience U.K. USD-2 Limited	Crop protection	U.K.	@1	100%	100%
219	Industrias Bioquim Centroamericana, Sociedad Anónima	Crop protection	Costa Rica	#1	100%	
220	Procultivos, Sociedad Anónim	Crop protection	Costa Rica	#1	100%	
221	Inversiones Lapislazuli Marino, Sociedad Anónima (w.e.f. 26 June 2019)	Crop protection	Costa Rica	#1	100%	
222	Bioquim, Sociedad Anónima	Crop protection	Costa Rica	#1	100%	
223	Bioquim Panama, Sociedad Anónima	Crop protection	Panama	#1	100%	
224	Bionic Nicaragua, Sociedad Anónima (w.e.f. 26 June 2019)	Crop protection	Nicaragua	#1	100%	
225	Biochemisch Dominicana, Sociedad De Responsabilidad Limitada	Crop protection	Domnic Republic	#1	100%	
226	Nutriquim De Guatemala, Sociedad Anónima	Crop protection	Guatemala	#1	100%	
227	UPL Agro Ltd	Crop protection	Hong Kong	#	100%	
228	UPL Portugal Unipessoal, Ltda.	Crop protection	Portugal	#	100%	
229	UPL Services LLC	Crop protection	USA	#	100%	
230	United Phosphorus Holdings Uk Ltd	Crop protection	U.K.	#	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

$$1 During the year, UPL Deutschland GMBH, Germany was merged into UPL Deutschland GMBH, Germany (formerly known as Arysta LifeScience Germany GmbH).

$$2 During the year, Arysta LifeScience do Brasil Indústria Química e Agropecuária SA, Brazil was merged into UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A..

$$3 During the year, Arysta LifeScience France SAS, France was merged into UPL France(formerly Known as AS pen SAS).

$$4 During the year, Arysta LifeScience Europe Sarl, France was merged into UPL Agricultural Solutions Holdings BV (Formerly known as MacDermid Agricultural Solutions Holdings BV).

$$5 During the year, Arysta Lifescience Italia SrL, Italy was merged into UPL Italia S.R.L.(Formerly Known as Cerexagri Italia S.R.L.).

$$6 During the year, Goëmar Développement SAS, France was merged into Arysta LifeScience Holdings France SAS, France.

36 LIST OF ASSOCIATES

Sr. No.	Associate Companies	Ref	Country of incorporation		31.03.2020 % of Group Holding	31.03.2019 % of Group Holding
1	Polycoat Technologies 2010 Limited	#	Israel		-	-
2	Sinagro Produtos Agropecuários S.A.		Brazil		45%	45%
3	3SB Produtos Agricolas S . A		Brazil		45%	45%
4	Seara Comercial Agricola Ltda.		Brazil		**	**
5	Serra Bonita Sementes S.A.		Brazil		33%	33%
6	Bioplanta Nutricao Vegetal, Industria e Comercio S.A.		Brazil		***	***
7	Agri Fokus (Pty) Ltd.	$	South Africa		25%	25%
8	Novon Retail Company (Pty) Ltd.	$	South Africa		25%	25%
9	Agronamic (Pty) Ltd.	$	South Africa		28%	28%
10	Novon Protecta (Pty) Ltd	$	South Africa		25%	25%
11	Silvix Forestry (Pty) Ltd.	$	South Africa		25%	25%
12	Nexus AG (Pty) Ltd	$	South Africa		25%	25%
13	Dalian Advanced Chemical Co.Ltd.	$	China		21%	21%
14	Société des Produits Industriels et Agricoles	$	Senegal		32%	32%
15	CGNS Limited	$	United Kingdom		25%	25%
16	Callitogo SA	$	Togo		35%	35%

$ Investment during the previous year
** This is 51% step-down subsidiary of Sinagro Produtos Agropecuários S.A.
*** These are 33.33% Joint ventures of Sinagro Produtos Agropecuários S.A.
# Divested during the previous year

37 LIST OF JOINT VENTURES

Sr. No.	Joint Venture Company	Ref	Country of incorporation		31.03.2020 % of Group Holding	31.03.2019 % of Group Holding
1	Hodogaya UPL Co. Limited		Japan		40%	40%
2	Longreach Plant Breeders Management Pty Limited		Australia		70%	70%
3	United Phosphorus (Bangladesh) Limited		Bangladesh		50%	50%

38 MATERIAL PARTLY OWNED SUBSIDIARY

The management has concluded that there are no subsidiaries with non-controlling interests that are material to the Group.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates

(a) The Group has a 45% (2019: 45%) interest in 3SB Produtos Agropecuarios S.A. , which is involved in business of planting, cultivation and commercialization of agriculture products. 3SB Produtos Agropecuarios S.A. is a private entity that is not listed on any public exchange. The Group's interest in 3SB Produtos Agropecuarios S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of 3SB Produtos Agropecuarios 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 Agropecuarios S.A.:

Summarised balance sheet

	31-Mar-20 USD '000	31-Mar-19 USD '000
Current assets	**29,632**	33,915
Non-current assets	**40,218**	32,245
Current liabilities	**(46,520)**	(48,172)
Non-current liabilities	**(19,945)**	(9,854)
Equity	**3,385**	8,134
Proportion of the Group's ownership (%)	**45%**	45%
Carrying amount of the investment excluding Goodwill	**1,523**	3,660
Goodwill	**7,203**	9,610
Impact of dilution of equity holding	**(124)**	(344)
Carrying amount of the investment	**8,602**	12,926

Summarised statement of profit or loss

	31-Mar-20 USD '000	31-Mar-19 USD '000
Revenue	**25,975**	44,323
Loss for the year	**(2,959)**	(338)
Other Comprehensive Income(OCI)	**-**	-
Total comprehensive income for the year	**(2,959)**	(338)
Group's share of loss for the year	**(1,331)**	(152)

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(b) The Group has a 45% (2019: 45%) interest in Sinagro Produtos Agropecuarios S.A., which is involved in the business of retail sales and commercial representation of crop protection chemical and seeds. Sinagro Produtos Agropecuarios S.A. is a private entity that is not listed on any public exchange. The Group's interest in Sinagro Produtos Agropecuarios S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Sinagro Produtos Agropecuarios 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 Sinagro Produtos Agropecuarios S.A.:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**160,300**	152,122
Non-current assets	**27,439**	48,497
Current liabilities	**(193,094)**	(207,976)
Non-current liabilities	**(9,535)**	(9,309)
Non-controlling interest	**-**	(2,048)
Equity	**(14,890)**	(18,714)
Proportion of the Group's ownership (%)	**45%**	45%
Carrying amount of the investment excluding Goodwill	**(6,701)**	(8,421)
Goodwill	**4,733**	6,314
Total	**(1,968)**	(2,107)
Carrying amount of the investment *	**-**	-

Carrying amount of investment restricted to Nil

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**278,871**	257,337
Loss for the year	**(1,045)**	(2,936)
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(1,045)**	(2,936)
Group's share of loss for the year	**(470)**	(1,321)
Group's share of loss for the year, restricting loss from associate	**-**	**-**

The associate has contingent liabilities amounted to USD 2,110 thousand (2019: 1,582 thousand) towards possible losses as assessed by legal advisors.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(c) The group has a 28.4% (2019: 28.4%) interest in Agronamic Proprietary Limited, which is involved in the buying and selling of agricultural chemicals. Agronamic Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Agronamic Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Agronamic Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Agronamic Proprietary Limited:

Summarised balance sheet

	31-Mar-20 USD '000	31-Mar-19 USD '000
Current assets	**6,976**	7,880
Non-current assets	**21**	25
Current liabilities	**(6,610)**	(7,513)
Non-current liabilities	**-**	-
Non-controlling interest	**-**	-
Equity	**387**	392
Proportion of the Group's ownership (%)	**28.40%**	28.40%
Carrying amount of the investment excluding Goodwill	**110**	111
Goodwill	**460**	596
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**570**	707

Summarised statement of profit or loss

	31-Mar-20 USD '000	31-Mar-19 USD '000
Revenue	**9,582**	5,156
Profit for the year	**(14)**	110
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(14)**	110
Group's share of profit for the year	**(4)**	30

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(d) The group has a 25.1% (2019: 25.1%) interest in Silvix Forestry Proprietary Limited, which is involved in the distribution of chemicals. Silvix Forestry Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Silvix Forestry Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Silvix Forestry Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Silvix Forestry Proprietary Limited:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**1,113**	1,374
Non-current assets	**-**	-
Current liabilities	**(1,010)**	(1,223)
Non-current liabilities	**-**	-
Non-controlling interest	**-**	-
Equity	**103**	151
Proportion of the Group's ownership (%)	**25.10%**	25.10%
Carrying amount of the investment excluding Goodwill	**26**	38
Goodwill	**19**	1
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**45**	39

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**1,978**	738
Profit for the year	**60**	13
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**60**	13
Group's share of profit for the year	**15**	3

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(e)The group has a 25.1% (2019: 25.1%) interest in Agrifokus Proprietary Limited, which is involved in the trading chemicals, insecticides and herbicides. Agrifokus Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Agrifokus Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Agrifokus Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Agrifokus Proprietary Limited:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**15,846**	13,413
Non-current assets	**4**	360
Current liabilities	**(10,232)**	(8,916)
Non-current liabilities	**(3,049)**	-
Non-controlling interest	**-**	-
Equity	**2,569**	4,857
Proportion of the Group's ownership (%)	**25.1%**	25.1%
Carrying amount of the investment excluding Goodwill	**645**	1,214
Goodwill	**(79)**	(697)
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**566**	517

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**3,863**	1,238
Profit for the year	**701**	113
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**701**	113
Group's share of profit for the year	**176**	28

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(f) The group has a 25.1% (2019: 25.1%) interest in Novon Retail Company Proprietary Limited, which is involved in the selling of fertilizers and chemicals. Novon Retail Company Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Novon Retail Company Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Novon Retail Company Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Novon Retail Company Proprietary Limited:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**8,080**	8,911
Non-current assets	**791**	948
Current liabilities	**(7,051)**	(7,888)
Non-current liabilities	**(62)**	(83)
Non-controlling interest	**-**	-
Equity	**1,758**	1,888
Proportion of the Group's ownership (%)	**25.10%**	25.10%
Carrying amount of the investment excluding Goodwill	**441**	474
Goodwill	**372**	563
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**813**	1,037

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**18,865**	3,035
Profit for the year	**(129)**	255
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(129)**	255
Group's share of profit for the year	**(32)**	64

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group’s associate for the year is set out below:

(i) Investment in associates (Continued)

(g)The group has a 25.1% (2019: 25.1%) interest in Novon Protecta Proprietary Limited, which is involved in the distribution of agricultural chemicals. Novon Protecta Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Novon Protecta Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Novon Protecta Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Novon Protecta Proprietary Limited:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD ‘000	USD ‘000
Current assets	**23,167**	23,072
Non-current assets	**543**	517
Current liabilities	**(19,222)**	(18,228)
Non-current liabilities	**(256)**	(96)
Non-controlling interest	**-**	-
Equity	**4,232**	5,265
Proportion of the Group’s ownership (%)	**25.00%**	25.10%
Carrying amount of the investment excluding Goodwill	**1,058**	1,316
Goodwill	**(260)**	(250)
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**798**	1,066

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD ‘000	USD ‘000
Revenue	**28,127**	5,005
Profit for the year	**(320)**	189
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(320)**	189
Group’s share of profit for the year	**(80)**	47

Contingent liability consists of claims against the group not acknowledged as debt amounting to USD 250 thousand (2019: 289 thousand) as at 31 March 2020.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(h)The group has a 25.1% (2019: 25.1%) interest in NexusAG Proprietary Limited, which is involved in the wholesale of agricultural chemicals for crop protection and fertilizer products for plant nutrition. NexusAG Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in NexusAG Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of NexusAG Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in NexusAG Proprietary Limited:

Summarised balance sheet

	31-Mar-20 USD '000	31-Mar-19 USD '000
Current assets	**13,135**	17,276
Non-current assets	**2,035**	2,560
Current liabilities	**(11,637)**	(15,861)
Non-current liabilities	**(453)**	(832)
Non-controlling interest	**-**	-
Equity	**3,080**	3,143
Proportion of the Group's ownership (%)	**25.10%**	25.10%
Carrying amount of the investment excluding Goodwill	**773**	786
Goodwill	**440**	633
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**1,213**	1,419

Summarised statement of profit or loss

	31-Mar-20 USD '000	31-Mar-19 USD '000
Revenue	**68,636**	8,157
Profit for the year	**440**	71
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**440**	71
Group's share of profit for the year	**110**	18

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(i) The group has a 21% (2019: 21%) interest in Dalian Advanced Chemical Co.Ltd.(DAC) which is involved in the formulation of Chloropicrin. DAC is private entity that is not listed on any public exchange. DAC is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of DAC as included in its own financials statements, adjusted for faire value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in DAC.:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**49**	68
Non-current assets	**347**	356
Current liabilities	**(16)**	(22)
Non-current liabilities	**-**	-
Non-controlling interest	**-**	-
Equity	**380**	402
Proportion of the Group's ownership (%)	**21%**	21%
Carrying amount of the investment excluding Goodwill	**80**	84
Goodwill	**-**	-
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**80**	84

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**105**	9
Loss for the year	**(60)**	(21)
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(60)**	(21)
Group's share of loss for the year	**(13)**	(4)

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(j) The Group has an interest of 33.33% (2019: 33.33%) 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 Sinagro Produtos Agropecuarios 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:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**17,303**	26,558
Non-current assets	**74,079**	81,273
Current liabilities	**(14,010)**	(13,005)
Non-current liabilities	**(10,538)**	(6,972)
Non-controlling interest	**-**	-
Equity	**66,834**	87,854
Proportion of the Group's ownership (%)	**33.33%**	33.33%
Carrying amount of the investment excluding Goodwill	**22,276**	29,282
Goodwill	**(1,335)**	(1,781)
Carrying amount of the investment	**20,941**	27,501

Summarised statement of profit or loss

	2020	2019
	USD '000	USD '000
Revenue	**26,632**	29,804
Profit for the year	**1,820**	995
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**1,820**	995
Group's share of profit for the year	**606**	332

The associate had no contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

(k) Other Associates

	2020	2019
	USD '000	USD '000
Group's share of profit for the year	213	-
	213	-

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(ii) Investment in Joint Ventures

(a) The Group has a 40% (2019: 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:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**19,441**	20,613
Non-current assets	**99**	128
Current liabilities	**(10,386)**	(12,370)
Non-current liabilities	**-**	-
Non-controlling interest	**-**	-
Equity	**9,154**	8,371
Proportion of the Group's ownership (%)	**40%**	40%
Carrying amount of the investment	**3,662**	3,348

The group does not have Goodwill

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**28,485**	31,055
Profit for the year	**1,447**	818
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**1,447**	818
Group's share of profit for the year	**579**	327

The group had no contingent liabilities or capital commitments relating to its interest in Hodogaya UPL Co. Limited as at 31 March 2020 and 31 March 2019. The joint venture had no other contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

39 SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(ii) Investment in Joint Ventures (Continued)

(b) The Group has a 69% (2019: 69%) 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:

Summarised balance sheet

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Current assets	**7,291**	10,916
Non-current assets	**9,047**	7,091
Current liabilities	**(9,941)**	(11,331)
Non-current liabilities	**(378)**	(18)
Non-controlling interest	**-**	-
Equity	**6,019**	6,658
Proportion of the Group's ownership (%)	**69%**	69%
Carrying amount of the investment before goodwill	**4,153**	4,613
Goodwill	**2,247**	2,613
Carrying amount of the investment	**6,400**	7,226

Summarised statement of profit or loss

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Revenue	**5,868**	6,289
Profit for the year	**391**	1,869
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**391**	1,869
Group's share of profit for the year	**270**	1,295

The group had no contingent liabilities or capital commitments relating to its interest in Longreach Plant Breeders Management Pty Limited as at 31 March 2020 and 31 March 2019. The joint venture had no other contingent liabilities or capital commitments as at 31 March 2020 and 31 March 2019.

In the years ended 31 March 2020 and 31 March 2019, the group did not received dividends from any of its Joint Ventures.

The group also has interest in an immaterial Joint Venture United Phosphorous (Bangladesh) Limited.

40 NET EMPLOYEE DEFINED BENEFIT LIABILITIES

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Net employee defined benefit liabilities		
- Defined benefit pension scheme (Note 40(b))	**15,290**	20,311

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:

a) The amounts recognised in the statement of profit or loss are as follows:

(i) Defined Benefit Plan

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Current service cost	320	483
Past Service Cost	2	-
Interest cost on benefit obligation	9	181
Expenses recognised in profit or loss(under the head Employee Benefit Expenses in Note 28)	**331**	664
Return on plan assets	-	(94)
Net actuarial (gain)/loss recognised during the year	(1,654)	(242)
Company contribution	263	
Remeasurements recognised in Other Comprehensive Income(OCI)	**(1,391)**	(336)
Total Expenses recognised in the statement of Profit & Loss and Other Comprehensive Income	**(1,060)**	328
Actual return on plan assets		-

b) The amounts recognised in the Balance Sheet are as follows:

	Defined Benefit Plan - Gratuity	
	31-Mar-20	31-Mar-19
	USD'000	USD'000
Present value of funded obligation	15,290	23,247
Less: Fair value of plan assets	-	2,936
Net Liability	15,290	20,311

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	31-Mar-20	31-Mar-19
	USD'000	USD'000
Opening defined benefit obligation	20,311	21,233
Profit & loss account charge / credit	75	-
Defined benefit obligation on account of acquisition	(582)	-
Interest cost	(410)	181
Current service cost	699	483
Benefits paid (net)	(1,422)	(476)
Actuarial changes arising from changes in financial assumption	(1,391)	(336)
Curtailments	(162)	-
Exchange differences	(1,818)	(774)
Taxes paid	(10)	-
Closing defined benefit obligation	15,290	20,311

	31-Mar-21	31-Mar-19
	USD'000	USD'000
d) Expected contribution to defined benefit plan for the year	628	-

40 NET EMPLOYEE DEFINED BENEFIT LIABILITIES (CONTINUED)

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	31-Mar-20	31-Mar-19
	%	%
Investments with insurer under:		
Funds managed by insurer	100	100

f) The principal actuarial assumptions at the Balance Sheet date

	31-Mar-20	31-Mar-19
Discount rate	2.80%-7.70%	2.80%-7.70%
Return on plan assets	2.80%-7.70%	2.80%-7.70%
Mortality rate	Ult. And Indonesia - III (2011)	Ult. And Indonesia - III (2011)
Annual increase in salary costs	5% at younger ages and reducing to 1% at old age on graduated scale	5% at younger ages and reducing to 1% at old age on graduated scale

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Assumptions

Sensitivity Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
	USD'000		**USD'000**	
Impact on defined benefit obligation				
Discount rate	4,937	7,243	2,216	(2,216)

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.

g) 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 for the year ended 31 March 2020 amounts to USD 987 thousand (31 March 2019: USD 550 thousand)

h) Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Expected future cashflows	USD'000
Expected benefit payments in Financial Year + 1	488
Expected benefit payments in Financial Year + 2	503
Expected benefit payments in Financial Year + 3	552
Expected benefit payments in Financial Year + 4	798
Expected benefit payments in Financial Year + 5	1,026
Expected benefit payments in Financial Year + 6 to + 10	2,320
	5,687

41 CAPITAL COMMITMENTS

	31-Mar-20 USD'000	31-Mar-19 USD'000
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**477**	895

42 CONTINGENTS

CONTINGENT LIABILITIES

The details of the contingent liabilities are as follows:

Particulars	31-Mar-20 USD'000	31-Mar-19 USD'000
Guarantees given by the Group to Third Parties	**8,905**	9,674
Hybrid and Parent Seeds Growers	**3,005**	3,121
Guarantees given on behalf of the company for usage of electricity	**61**	66
Claims against the Group not acknowledged as debts	**3,194**	3,495
Earn out fees	**-**	786
Customer claims	**134**	1,143
Product claim from growers in the zone of Cordoba	**-**	250
Penalty to pay foreign exchange regulation	**339**	347
Penalty to pay local invoices in foreign currency	**501**	513
Contingent Liabilities for Letter of credit	**-**	126
Claims against the Associates not acknowledged as debts.	**2,360**	1,871
Disputed Custom Liability	**183**	-
	18,682	21,392

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.

43 RELATED PARTY TRANSACTIONS

During the year ended 31 March 2020, the Group traded with related companies. The nature, volume and type of transactions with the companies are as follows:

THE GROUP

Name of related companies	Nature of transactions	2020	2019
		USD '000	USD '000
Holding company (Ultimate Parent - UPL Limited)	Purchases	**622,543**	497,546
	Dividend paid	**60,000**	60,000
	Sales	**28,882**	27,073
	Property plant and Equipment	**9**	-
	Intangible assets	**241**	145
	Commission export	**-**	3,739
	Write off of receivables	**16**	288
	Reimbursement made	**10,106**	6,458
	Reimbursement received	**543**	1,294
	Receivables	**11,715**	33,395
	Payables	**139,116**	140,110
	Guarantees taken from holding company	**-**	19,232
	Interest paid	**-**	5,895
	Repayment of loans taken	**-**	134,336
	Guarantees taken from holding company during the year	**-**	161
	Issue of shares (including share premium reserve)	**-**	143,518
	Commission on guarentee given	**48**	-
	Rent Paid	**8**	-
	Service Income	**344**	-
	Advances	**86,209**	150,160
		959,780	1,223,350
Holding company's subsidiaries which are not UPL Corporation's subsidiaries	Purchases	**202,373**	215,387
	Payables	**102,680**	96,105
	Receivables (including trade advances)	**1,438**	-
	Sales of goods	**1,534**	-
		308,025	311,492
Associates and joint ventures	Sales of goods	**116,169**	24,763
	Purchases	**3,675**	2,915
	Rent Given	**-**	1,073
	Group recharge	**-**	178
	Payables (including trade advances)	**32,271**	3,243
	Receivables (including trade advances)	**30,034**	17,701
	Other expenses	**-**	-
	Interest Given	**-**	-
	Interest received	**712**	784
	Royalty	**3,241**	6,872
	Loan given	**7,190**	8,361
	Interest receivables	**-**	65
	Commission paid	**484**	-
		193,776	65,955
Key management personnel	Short term benefits:		
	Remuneration	**14,121**	8,402
	Rent Given	**159**	-
	Payables	**88**	-
		14,368	8,402

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business. The sales to and purchases from related parties are made on terms mutually agreed in the contract. Outstanding balances at the year-end are unsecured and bears interest as per agreements and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables, payables or advances.

44 SEGMENT REPORTING

The Group is mainly engaged with agro activities and is the main area of the Group's operations. It includes the manufacture and marketing of conventional agrochemical products, seeds and other agricultural related products.
Non agro activity is immaterial hence there is only one segment which is agro-chemical activities which is applicable for the Group. Management only reviews revenue by regions and the ultimate holding company considers the group as one segment being agrochemical.

45 ACQUISITION OF SUBSIDIARY

	31-Mar-20 USD '000	31-Mar-19 USD '000 (Revised)*
(a) Goodwill		
At beginning of the period	**2,492,285**	159,718
Acquisition (Refer Note(i & ii) below)		
-Industrias Bioquim Centroamericana, Sociedad Anonima (Refer Note(i))	**11,577**	-
- Arysta Lifesciences Inc. (Refer Note(ii))	**-**	2,342,898
Impairment	**-**	(182)
Foreign exchange difference	**(9,816)**	(10,149)
	2,494,046	2,492,285

*Refer Note 46

For the purpose of impairment testing, goodwill and brand has been allocated to the Group's CGU as:

Cash Generating Unit (CGU)	31-Mar-20 USD '000
Europe	524,583
Latin America	1,060,403
North America	459,726
Rest of the World	449,334
Total Goodwill	**2,494,046**
Add: Brand	**54,574**
Grand Total	**2,548,620**

The recoverable amount of the 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. Discount rates reflect Management's estimate of risk specific to each CGU. The cashflow projections included specific estimates for 5 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.

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 31-Mar-20	Discount rate 31-Mar-20
Europe	3%-5%	12.0%
Latin America	7%-10%	12%-13%
North America	3%-6%	10.0%
Rest of the World	8%-12%	13%-14%

Acquisition of subsidiary

Name of subsidiary company	Date of Acquisition	% Holding
Industrias Bioquim Centroamericana, Sociedad Anonima ("Bioquim")	27th June'2019	**100%**
Arysta Lifesciences Inc. ("Arysta")	31st January'2019	**100%**

i) Consideration transferred for Bioquim

The following table summarises the acquisition date fair value consideration of Industrias Bioquim Centroamericana, Sociedad Anonima:

	USD '000
Cash	23,130
Total consideration transferred	23,130

45 ACQUISITION OF SUBSIDIARY (CONTINUED)

On 27th June 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 US $ 23,130 thousands and goodwill recognised of US $ 11,594 thousands. These companies are engaged in the business of manufacturing, distribution, commercialization, export and import of synthetic inorganic agricultural pesticides in Costa Rica and certain other countries in Caribbean and Central American Region.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	USD '000
Consideration transferred	**23,130**
Fair Valued identified net assets on date of acquisition	**(11,553)**
	11,577

Identifiable assets acquired and liabilities assumed

The following table summarises the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

	USD '000
Total consideration (A)	**23,130**
Less: Cash & cash equivalents of Bioquim acquired	3,528
Total consideration paid to Bioquim net of cash acquired	**19,602**
Intangible assets	4,812
Tangible assets	2,152
Working capital	7,323
Deferred tax liabilities	(2,576)
Others	(158)
Total net assets (B)	**11,553**
Goodwill (A-B)	**11,577**

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 equipment	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.
Inventory	Inventory was fair valued after considering a step-up over book value.

45 ACQUISITION OF SUBSIDIARY (CONTINUED)

ii) Consideration transferred for Arysta

The following table summarises the acquisition date fair value consideration of Arysta Lifescience Group:

	USD '000
Cash	4,447,837
Total consideration transferred*	4,447,837

*During the year, acquisition of Arysta Lifesciences Inc. and its subsidiaries has been concluded between the parties. There is an additional consideration paid of US $ 89,833 thousands for working capital adjustments as per share purchase agreement for acquisition of Arysta Group post acquisition date i.e.31st January, 2019. In these consolidated financial statements, the Company has retrospectively revised the comparative balance sheet amounts at 31st March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities and relevant impact on the Income Statement. These adjustments are presented in Note 41.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	USD '000
Consideration transferred	4,447,837
Fair value of identifiable net assets	(2,104,939)
	2,342,898

Identifiable assets acquired and liabilities assumed

The following table summarises the fair values of assets acquired and liabilities recognised at the date of finalisation of PPA:

	USD '000
Total Consideration (A)	4,447,838
Less: Cash & cash equivalents of Arysta acquired	147,488
Total consideration paid to Arysta net of cash acquired	**4,300,350**
Intangible assets	1,500,393
Tangible assets	149,012
Working capital	854,822
Investments	11,144
Deferred tax liabilities	(310,143)
Non controlling interest	(80,752)
Others	(19,536)
Total net assets (B)	**2,104,940**
Goodwill (A-B)	**2,342,898**

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**
Property, Plant and Equipment	The Cost Approach relies upon the principle of substitution and recognizes that a prudent investor will pay no more for an asset than the cost to replace it anew with an identical or similar unit of equal utility. Replacement Cost New (RCN) is the current cost of producing or constructing a similar new item having the nearest equivalent utility as the property being valued. Under this approach, the value is determined by adjusting the replacement / reproduction cost new by the loss in value due to physical deterioration and obsolescence for asset (by passage of time and use of the asset), where applicable. Market Approach: The Market Approach, commonly referred to as the Sales Comparison Approach, measures value based on what other purchasers in the market have paid for assets that can be considered reasonably similar to those being valued. When the Market Approach is utilized, data are collected on the prices paid for reasonable comparable assets. Adjustments are made to the comparable assets to compensate for differences between those assets and the asset being valued. The application of the Market Approach results in an estimate of the price reasonably expected to be realized from the sale of the asset.
Intangible Assets	Relief-from-royalty method and multi-period excess earnings method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

46 (A) CORRECTION OF ERRORS / RESTATEMENT OF FINANCIAL STATEMENTS

During the period under review, management noted that there were classification inconsistencies on the consolidated financial statements as compared to the classification in the annual financial statement as at 31 March 2019. However, there is no impact on the measurement of these items. Refer to the below description to understand the nature of the reclassification/correction of errors.

Following corrections of errors have been made in the current period:-

A. Loans and Advances	In the prior years, loans and advances included non financial assets such as advance taxes, advance to related party and other receivables (statutory prepayments and advances recoverable in cash or kind). The measurement basis and nature for the aforesaid assets for the loans portion is different and therefore should have been disclosed separately together with items with similar measurement basis.
B. Investments in FVOCI	Investment measured at FVTOCI was wrongly included within consolidated financial statements caption as investment measured at FVTPL in the previous periods. As both investments are of different nature and classification, separate presentation are mandated for each type of investment.
C. DTA to Advance taxes	In January 2019, the Company acquired Arysta Lifesciences Inc. Upon consolidation, the subsidiary's deferred tax assets was mapped to loans and advances instead of deferred tax.
D. Current tax liabilities / Provisions	Current tax liabilities was shown within consolidated caption "Provisions". In line with IAS 1.54 (n), current tax liabilities should be disclosed separately on the face of SOFP.
E. Assets Held for Sale	Assets held for sale are assets which are short term in nature and was incorrectly classified previously as "non -current assets".

46 (B) REVISION PURSUANT TO FINALISATION OF ARYSTA PURCHASE PRICE ALLOCATION (PPA)

On 31st January 2019, the Group acquired the entire share capital of Arysta Lifescience Inc., a global provider of innovative crop protection solutions including BioSolutions and Seed Treatment. As a result the Group obtained control of Arysta and it's subsidiaries.

In the financial statements for year ended 31st March 2019, the amounts of assets and liabilities recognized for Arysta were all provisional, as valuation activity was ongoing considering nature and size of Arysta's market presence. The final acquisition-date value of consideration, after adjustments for working capital, was US $ 4,447, 837 thousand.

In these consolidated financial statements, the Company has retrospectively revised the comparative balance sheet amounts at 31st March 2019 to reflect the final acquisition-date fair values of the acquired assets and liabilities. These revisions are presented in the table in Note 46 (C).

46 (C) IMPACT ON ACCOUNT OF CORRECTION OF ERRORS AND FINALISATION OF PPA

The following tables summarises the combined effect of restatements and revisions on the financial statements:

Statement of financial position

At 31 March 2019	As previously reported	Prior year adjustments [Ref 46 (A)]	Revision due to PPA finalisation [Ref 46 (B)]	As restated and revised
		Restatement	*Revision*	
	USD '000	USD '000	USD '000	USD '000
Non Current assets				
Goodwill	2,264,253	-	228,032	2,492,285
Intangible assets	1,718,351	-	(197,311)	1,521,040
Intangible assets under development	79,166	-	10,330	89,496
Property, plant and equipment	313,209	-	5,092	318,301
Capital work-in-progress	49,684	-	-	49,684
Financial assets at fair value through profit or loss (B)	22,610	(6,337)	-	16,273
Financial assets at fair value through other comprehensive income (B)	-	6,337	-	6,337
Investment in associate	45,902	-	-	45,902
Investment in joint ventures	10,581	-	-	10,581
Trade receivables	491	-	-	491
Other receivables (A)	-	29,221	9,900	39,121
Other investments	1,063	-	-	1,063
Advances to Related Parties (A)	-	8,360	-	8,360
Convertible loan notes	5,000	-	-	5,000
Deferred tax assets (C)	103,288	69,376	-	172,664
Advance tax (A)	-	24,567	-	24,567
Assets classified as held for sale (E)	3,730	(3,730)	-	-
Loans and Advance (A)	62,149	(62,149)	-	-
Total non-current assets	**4,679,477**	**65,645**	**56,043**	**4,801,165**
Current assets				
Other Investments at amortised cost	283	-	-	283
Inventories	1,058,381	-	(19,738)	1,038,643
Loan and advances (A) & (C)	376,597	(376,597)	-	-
Loans (A)	-	2,024	-	2,024
Other receivables (A)	-	154,138	-	154,138
Advance tax (A)	-	900	-	900
Convertible loan notes	-	-	-	-
Trade receivables	1,579,696	-	(19,229)	1,560,467
Advances to Related Parties (A)	-	150,160	-	150,160
Cash and cash equivalents	379,970	-	-	379,970
Assets classified as held for sale (E)	-	3,730	15	3,746
Total current assets	**3,394,927**	**(65,645)**	**(38,952)**	**3,290,331**
TOTAL ASSETS	**8,074,404**	**-**	**17,091**	**8,091,496**

46 (C) IMPACT ON ACCOUNT OF CORRECTION OF ERRORS AND FINALISATION OF PPA (CONTINUED)

Statement of financial position contd.	As previously reported	Prior year adjustments [Ref 46 (A)]	Revision due to PPA finalisation [Ref 46 (B)]	As restated and revised
		Restatement	*Revision*	
	USD '000	USD '000	USD '000	USD '000
EQUITY AND LIABILITIES				
Equity				
Stated capital	18,102	-	-	18,102
Share premium reserve	1,314,670	-	-	1,314,670
Retained earnings	853,860	-	8,038	861,898
Cash flow hedge reserve	(11,531)	-	-	(11,531)
Fair value reserves	(7,430)	-	-	(7,430)
Translation reserves	(218,185)	-	4,915	(213,270)
Equity attributable to equity holders of the parent	**1,949,486**	**-**	**12,953**	**1,962,439**
Non-controlling interest	83,193	-	10,964	94,157
Total equity	**2,032,679**	**-**	**23,917**	**2,056,596**
Non Current liabilities				
Bonds	792,730	-	-	792,730
Borrowings	2,956,080	-	-	2,956,080
Deferred tax liabilities	419,727	-	(107,758)	311,969
Provisions	22,937	-	-	22,937
Other long term liabilities	19,103	-	-	19,103
Total non-current liabilities	**4,210,577**	**-**	**(107,758)**	**4,102,819**
Current liabilities				
Borrowings	240,846	-	-	240,846
Trade payables	1,196,112	-	61,288	1,257,400
Other payables	221,114	-	29,937	251,051
Current tax liabilities (D)	-	86,251	-	86,251
Provisions (D)	173,077	(86,251)	9,707	96,533
Total current liabilities	**1,831,149**	**-**	**100,932**	**1,932,081**
Total liabilities	**6,041,726**	**-**	**(6,826)**	**6,034,900**
TOTAL EQUITY AND LIABILITIES	**8,074,405**	**-**	**17,091**	**8,091,496**

Note : There is no impact on account of restatement to Total Comprehensive Income and Operating, Financing and Investing activities resulting from the correction of errors

46 (C) IMPACT ON ACCOUNT OF CORRECTION OF ERRORS AND FINALISATION OF PPA (CONTINUED)

The following tables summarises the combined effect of restatements on the financial statements:

Statement of financial position **At 1 April 2018**	**As previously reported**	**Prior year adjustments [Ref 46 (A)]** ***Restatement***	**As revised**
	USD '000	**USD '000**	**USD '000**
Non Current assets			
Goodwill	159,718	-	159,718
Intangible assets	115,338	-	115,338
Intangible assets under development	29,129	-	29,129
Property, plant and equipment	128,886	6,053	134,939
Capital work-in-progress	71,224	-	71,224
Aircraft	6,053	(6,053)	-
Financial assets at fair value through profit or loss (B)	79,278	-	79,278
Investment in associate	47,568	-	47,568
Investment in joint ventures	7,899	-	7,899
Trade receivables	225	-	225
Other receivables (A)	-	9,775	9,775
Other investments at amortised cost	1,091	-	1,091
Advances to Related Parties (A)	-	9,052	9,052
Convertible loan notes	5,000	-	5,000
Deferred tax assets (C)	72,194	-	72,194
Advance tax (A)	-	3,826	3,826
Assets classified as held for sale (E)	3,057	(3,057)	-
Loans and Advance (A)	22,653	(22,653)	-
Total non-current assets	**749,313**	**(3,057)**	**746,256**
Current assets			
Inventories	460,992	-	460,992
Loan and advances (A) & (C)	79,683	(79,683)	-
Loans (A)	-	5,471	5,471
Other receivables (A)	-	54,428	54,428
Advance tax (A)	-	4,183	4,183
Trade receivables	779,813	-	779,813
Advances to Related Parties (A)	-	15,601	15,601
Cash and cash equivalents	416,600	-	416,600
Assets classified as held for sale (E)	-	3,057	3,057
Total current assets	**1,737,088**	**3,057**	**1,740,145**
TOTAL ASSETS	**2,486,401**	**-**	**2,486,401**

46 (C) IMPACT ON ACCOUNT OF CORRECTION OF ERRORS AND FINALISATION OF PPA (CONTINUED)

Statement of financial position contd.	As previously reported	Prior year adjustments [Ref 46 (a)] *Restatement*	As revised
	USD '000	USD '000	USD '000
EQUITY AND LIABILITIES			
Equity			
Stated capital	13,600	-	13,600
Share premium reserve	-	-	-
Retained earnings	743,987	-	743,987
Cash flow hedge reserve	-	-	-
Fair value reserves	-	-	-
Translation reserves	(112,254)	-	(112,254)
Equity attributable to equity holders of the parent	**645,333**	**-**	**645,333**
Non-controlling interest	97,747	-	97,747
Total equity	**743,080**	**-**	**743,080**
Non Current liabilities			
Bonds	792,713	-	792,713
Borrowings	132,419	-	132,419
Deferred tax liabilities	6,672	-	6,672
Provisions	10,723	-	10,723
Other long term liabilities	14,384	-	14,384
Total non-current liabilities	**956,911**	**-**	**956,911**
Current liabilities			
Borrowings	59,904	-	59,904
Trade payables	625,578	-	625,578
Other payables	89,005	-	89,005
Current tax liabilities (D)	-	8,673	8,673
Provisions (D)	11,923	(8,673)	3,250
Total current liabilities	**786,410**	**-**	**786,410**
Total liabilities	**1,743,321**	**-**	**1,743,321**
TOTAL EQUITY AND LIABILITIES	**2,486,401**	**-**	**2,486,401**

Note: There is no impact on account of restatement to Total Comprehensive Income and Operating, Financing and Investing activities resulting from the correction of errors

47 FOREIGN EXCHANGE DERIVATIVES AND EXPOSURES OUTSTANDING AS AT THE REPORTING DATE

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.

The Group 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.

	Nature of Instrument	Currency	**31-Mar-20** Amount outstanding		31-Mar-19 Amount outstanding		Purpose - Hedging/ Speculation
			Local currency in '000	**USD '000**	Local currency in '000	USD '000	
(a)	Forward contracts - Sell	USD	**175,905**	**175,905**	125,564	125,564	Hedging
	Forward contracts - Sell	AUD	**8,058**	**4,915**	10,650	7,708	Hedging
	Forward contracts - Sell	EUR	**28,153**	**30,839**	39,552	44,418	Hedging
	Forward contracts - Sell	CAD	**21,000**	**14,733**	3,200	2,386	Hedging
	Forward contracts - Sell	NZD	**330**	**196**	814	553	Hedging
	Forward contracts - Sell	GBP	**3,200**	**3,952**	-	-	Hedging
	Forward contracts - Sell	JPY	**576,728**	**5,311**	-	-	Hedging
	Forward contracts - Sell	CLP	**1,419,024**	**1,659**	-	-	Hedging
	Forward contracts - Buy	USD	**487,596**	**487,596**	401,574	401,574	Hedging
	Forward contracts - Buy	EUR	**23,619**	**25,872**	33,687	37,832	Hedging
	Forward contracts - Buy	JPY	**-**	**-**	440,167	3,974	Hedging
	Forward contracts - Buy	HUF	**2,300,000**	**6,997**	-	-	Hedging
(b)	Derivative contracts						
(i)	(a) Option receivable	USD	**30,000**	**30,000**	10,000	10000	Hedging
(ii)	Cross Currency Interest Rate Swaps on Loans Payable	EUR	**1,328,870**	**1,455,647**	1,328,870	1,492,390	Hedging (refer to note 1 below)
	Cross Currency Interest Rate Swaps on Loans Payable	JPY	**44,300,000**	**407,938**	44,300,000	400,000	Hedging (refer to note 1 below)

Note 1:-

Hedging against the underlying USD borrowings by which:

- Group will receive principal in USD and pay in EUR and JPY.
- Group will receive fixed interest in USD and pay fixed / floating interest in EUR and JPY.

47 FOREIGN EXCHANGE DERIVATIVES AND EXPOSURES OUTSTANDING AS AT THE REPORTING DATE (CONTINUED)

Derivatives not designated as hedging instruments (continued)

Nature of Instrument	Currency	31-Mar-20 Amount outstanding Local currency in '000	31-Mar-20 Amount outstanding USD '000	31-Mar-19 Amount outstanding Local currency in '000	31-Mar-19 Amount outstanding USD '000	Purpose - Hedging/ Speculation
(c) Un-hedged Foreign Currency Exposure on:						
1 Payable	USD	**967,742**	**967,742**	1,879,321	1,879,321	
(including Foreign Currency payable in respect of derivative contracts as mentioned in (b) (ii) above)	EUR	**391,994**	**429,390**	174,830	196,343	
	GBP	**9,971**	**12,315**	19,870	26,043	
	JPY	**808,845**	**7,448**	44,641,717	397,116	
	CHF	**474**	**490**	448	450	
	DKK	**2,735**	**401**	3,643	548	
	CLP	**-**	**-**	878,658	1,291	
	AED	**-**	**-**	21	6	
	NZD	**-**	**-**	-	-	
	INR	**338**	**4**	2,697	39	
	PLN	**11**	**3**	11	3	
	CAD	**-**	**-**	11,595	8,645	
	BRL	**-**	**-**	677	173	
	MUR	**53**	**1**	776	22	
	AUD	**14,113**	**8,608**	1,800	1,277	
	COP	**-**	**-**	14,861,709	4,685	
	ARS	**-**	**-**	177,319	4,065	
	CZK	**26,575**	**1,065**	24,105	1,048	
	HUF	**-**	**-**	93,837	328	
	CFA/XOF	**263,384**	**445**	170,633	292	
	TRY	**-**	**-**	59	10	
	ZAR	**-**	**-**	4,660	321	
	PYG	**223,048**	**34**	823,512	133	
	HRK	**25**	**4**	-	-	
	BGN	**9**	**5**	-	-	
	CNY	**711**	**100**	-	-	
	MYR	**0**	**0**	-	-	
	RMB	**0**	**0**	-	-	
	SEK	**10**	**1**	-	-	
	TZS	**4,180**	**2**	-	-	
2 Receivable	USD	**704,168**	**704,168**	992,666	992,666	
	EUR	**211,011**	**231,142**	162,169	182,124	
	GBP	**13,496**	**16,668**	29,210	38,284	
	JPY	**64,924,690**	**597,861**	44,659,602	397,276	
	DKK	**-**	**-**	932	140	
	CLP	**459,426**	**537**	2,545,931	3,740	
	AED	**1,003**	**273**	946	257	
	NZD	**24**	**14**	24	16	
	PLN	**4,796**	**1,156**	4,092	1,068	
	CAD	**204,785**	**143,668**	85,528	63,765	
	BRL	**-**	**-**	-	-	
	MUR	**311**	**8**	-	-	
	AUD	**495**	**302**	3,494	2,478	
	COP	**8,212,950**	**2,021**	25,415,945	8,012	
	ARS	**419,465**	**6,516**	610,999	14,007	
	HUF	**512**	**2**	-	-	
	CFA/XOF	**-**	**-**	2,948	5	
	TRY	**40**	**6**	-	-	
	ZAR	**572,158**	**31,937**	577,495	39,746	
	RMB/CNY	**-**	**-**	-	-	
	PYG	**-**	**-**	25,030	4	
	RON	**2,927**	**664**	5,841	1,377	
	RUB	**-**	**0**	238,602	3,680	
	ETB	**2,695**	**81**	-	-	
	PKR	**225,318**	**1,357**	-	-	

48 FINANCIAL INSTRUMENTS

A. Accounting classifications and fair values

The Group uses the following valuation techniques hierarchy for determining and disclosing the fair value of assets and liabilities:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	Carrying amount				Fair value			
THE GROUP	**FVTPL**	**FVTOCI**	**At Amortized Cost**	**Total Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
31-Mar-20	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Financial assets								
Financial assets measured at fair value								
Investments stated at fair value through profit or loss	**9,755**	**-**	**-**	**9,755**	**5,947**	**-**	**3,808**	**9,755**
Investments stated at fair value OCI	**-**	**3,159**	**-**	**3,159**	**3,159**	**-**	**-**	**3,159**
Other Investments	**-**	**-**	**846**	**846**	**-**	**-**	**846**	**846**
Derivative asset (Refer Note 12 (A))	**65,952**	**11,623**	**-**	**77,575**	**-**	**77,575**	**-**	**77,575**
Financial assets not measured at fair value								
Convertible Loan Notes	**-**	**-**	**5,000**	**5,000**	**-**	**-**	**-**	**-**
Trade receivables	**-**	**-**	**1,431,116**	**1,431,116**	**-**	**-**	**-**	**-**
Other financial assets	**-**	**-**	**1,621**	**1,621**	**-**	**-**	**-**	**-**
Cash and cash equivalents	**-**	**-**	**861,047**	**861,047**	**-**	**-**	**-**	**-**
Total financial assets	**75,706**	**14,782**	**2,299,630**	**2,390,119**	**9,106**	**77,575**	**4,654**	**91,334**
Financial liabilities								
Financial liabilities not measured at fair value								
Bonds (listed on Singapore Exchange Limited)	**-**	**-**	**794,041**	**794,041**	**-**	**-**	**-**	**-**
Borrowings	**-**	**-**	**2,865,568**	**2,865,568**	**-**	**-**	**-**	**-**
Long term lease obligation	**-**	**-**	**74,010**	**74,010**	**-**	**-**	**-**	**-**
Trade payables	**-**	**-**	**1,163,952**	**1,163,952**	**-**	**-**	**-**	**-**
Other long term liabilities	**-**	**-**	**5,445**	**5,445**	**-**	**-**	**-**	**-**
Other payables	**-**	**-**	**316,683**	**316,683**	**-**	**-**	**-**	**-**
Total financial liabilities	**-**	**-**	**5,219,700**	**5,219,700**	**-**	**-**	**-**	**-**
31-Mar-19								
Financial assets								
Financial assets measured at fair value								
Investments stated at fair value through profit or loss	16,273	-	-	16,273	11,916	-	4,357	16,273
Investments stated at fair value OCI	-	6,337	-	6,337	6,337	-	-	6,337
Other Investments	-	-	1,346	1,346	-	-	1,346	1,346
Financial assets not measured at fair value								
Trade receivables	-	-	1,560,958	1,560,958	-	-	-	-
Loans	-	-	2,024	2,024	-	-	-	-
Cash and cash equivalents	-	-	379,970	379,970	-	-	-	-
Total financial assets	16,273	6,337	1,944,298	1,966,908	18,253	-	5,703	23,956
Financial liabilities								
Financial liabilities measured at fair value								
Derivative liabilities	-	-	7697	7,697	-	7,697	-	7,697
Financial liabilities not measured at fair value								
Bonds (listed on Singapore Exchange Limited)	-	-	792,730	792,730	-	-	-	-
Borrowings	-	-	3,196,926	3,196,926	-	-	-	-
Trade payables	-	-	1,257,400	1,257,400	-	-	-	-
Other long term liabilities net of derivative liabilities	-	-	11,406	11,406	-	-	-	-
Other payables	-	-	188,976	188,976	-	-	-	-
Total financial liabilities	-	-	5,447,438	5,447,438	-	7,697	-	7,697

48 FINANCIAL INSTRUMENTS (CONTINUED)

B. Measurement of fair value

(i) Valuation techniques and significant unobservable inputs

The above table shows the carrying amounts and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Convertible loan notes, trade receivables, loans and cash and cash equivalents

The carrying amount of convertible loan notes, trade receivables, loans and cash and cash equivalents approximate their fair values due to their short term nature. For long term trade receivables the amount is not significant and there is no material impact on account of fair valuation.

Financial assets at fair value through profit or loss ("FVTPL")

Investment classified as FVTPL amounting to **USD 3,808** thousand (31 March 2019: USD 4,357 thousand) includes investment in Rogatory letter, Meiji Lukang Pharmaceutical Co. Ltd., Kyoyu Agri and ISAGRO S.P.A. These investments are recently acquired as part of Arysta group acquisition. The Group has used valuation technique as the Price of recent investment calibrated by using qualitative analysis approach. There is no material difference between cost and fair value of such investments. Management performs qualitative analysis as per its internal policy.

Other financial assets at fair value through other comprehensive income ("FVOCI") and through profit or loss

The fair values of the remaining FVTOCI and FVTPL financial assets amounting to USD 3,159 thousand (31 March 2019: USD 6,337 thousand) are derived from quoted market prices in active markets.

Hence there is no unobservable inputs and sensitivity analysis disclosed in the consolidated financial statements.

Derivative asset

The valuation of both long term and short term derivatives recorded in the books of accounts is basis the Mark-to-Market (MTM) valuation provided by the Bank. The MTM on forwards is linked to the forward rate quoted in the live market while for the MTM on swaps, the banks use an internal models to arrive at the valuation.

Bonds

Financial liabilities include bonds listed on the Singapore Stock Exchange and it is valued at amortised cost. The fair value of the bonds are determined from the Singapore Stock Limited and approximate to carrying value.

Trade and other payables

The carrying amount of trade and other payables approximate their fair value due to its short term nature.

Borrowings

Borrowings include unsecured loan from banks bearing interest rates 3 month LIBOR + 1.60% amounting to USD 2,759,366 thousand (31 March 2019: USD 2,948,956 thousand) repayable on 29 January 2029. The fair value 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 debt 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 carrying amount of borrowings approximately equals to the fair values since the rate of interest charged is considered to at par with prevailing market rates of interest.

48 FINANCIAL INSTRUMENTS (CONTINUED)

B. Measurement of fair value continued

(ii). Transfers between Levels 1 and 2

As on 31 march 2020, there are no transfers between Level 1 and Level 2 financial instruments.

(iii). Level 3 recurring fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

	Investment stated at fair value through profit or loss	
	31-Mar-20	31-Mar-19
	USD '000	USD '000
Opening balance	**5,703**	1,088
Gain/(loss) included on profit or loss	**(549)**	(28)
Add: Acquisitions	**-**	4,643
Less: Disposals	**(500)**	-
Closing balance	**4,654**	5,703

C. Financial Risk Management

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 in this note ahead.

The Group has the following risks arising from financial instruments:

(i). 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.

(ii). 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.

48 FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate sensitivity

A 100 basis point is the sensitivity rate used internally by key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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:

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Fixed rate instruments

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Borrowings from banks, financials institutions and others	**2,717,699**	2,795,186
	2,717,699	2,795,186

Variable rate instruments

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Borrowings from banks, financials institutions and others	**927,617**	1,168,442
	927,617	1,168,442

	Increase /decrease in basis points	**Effect on profit or loss**	**Effect on equity**
		USD'000	**USD'000**
31-Mar-20			
USD	+50	(4,594)	(3,530)
	-50	4,594	3,530
Others	+100	(68)	(52)
	-100	68	52
31-Mar-19			
USD	+50	(5,369)	(4,934)
	-50	5,369	4,934
Others	+100	(354)	(325)
	-100	354	325

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.

48 FINANCIAL INSTRUMENTS (CONTINUED)

(iii) 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 Group 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:

31-Mar-20

	Trade receivables Days past due							
	Current	**0-60 days**	**61-180 days**	**181-270 days**	**> 270 days**	**Total**	**PPA Adjustment**	**Total**
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Expected credit loss	14,589	1,673	3,456	4,236	92,548	116,502	5,763	122,265
Average %	2.98	3.94	10.28	17.54	57.15			

31-Mar-19

	Trade receivables Days past due							
	Current	0-60 days	61-180 days	181-270 days	> 270 days	Total	PPA Adjustment	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Expected credit loss rate	19,267	5,932	4,331	2,682	101,922	134,133	19,229	153,362
Average %	3.36	6.43	12.06	17.92	65.64			

The Group has assessed the impact of the COVID-19 pandemic on expected credit losses on it's trade receivables on a collective basis. This amounted to USD 14,513 thousands and is included in the total ECL figure of USD 122,265 thousands as on 31 March, 2020.

Cash and cash equivalents

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts as illustrated in Note 16 except for derivative financial instruments.

(iv) 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.

48 FINANCIAL INSTRUMENTS (CONTINUED)

(iv) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

		Contractual cash flows			
	Carrying amount	**Less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
		USD '000	USD '000	USD '000	USD '000
Year ended					
31-Mar-20					
Non-derivative liabilities					
Borrowings	2,862,206	102,790	2,759,416	-	2,862,206
Bonds	794,041	-	497,031	297,010	794,041
Other financial liabilities	322,128	316,683	5,445	-	322,128
Trade and other payables	1,163,952	1,163,952	-	-	1,163,952
Lease obligation	74,010	12,893	61,117	-	74,010
	5,216,337	**1,596,318**	**3,323,009**	**297,010**	**5,216,337**

		Contractual cash flows			
Year ended					
31-Mar-19					
Non-derivative liabilities					
Borrowings	3,190,014	240,846	2,949,168	-	3,190,014
Bonds	792,730	-	496,966	295,764	792,730
Other financial liabilities	208,080	188,977	19,103	-	208,080
Trade and other payables	1,257,400	1,257,400	-	-	1,257,400
Derivative liabilities					
Derivative contracts (Refer Note 22)	7,697	-	7,697	-	7,697
	5,455,921	1,687,223	3,472,934	295,764	5,455,921

(v) 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

The Group hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.
At 31 March 2020, the Group hedge position is stated in Note 47. 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 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.

	Change in EURO rate	**Effect on profit or loss**	**Effect on equity**
31-Mar-20		**USD'000**	**USD'000**
	10%	(19,825)	(15,232)
	-10%	19,825	15,232
31-Mar-19			
	10%	(37,848)	(34,781)
	-10%	37,848	34,781

48 FINANCIAL INSTRUMENTS (CONTINUED)

(vi) Cash flow hedges

a) Risk management strategy and how it is applied to manage risk:

The Company 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 Company has entered Into a Cross Currency Interest Rate Swap ("CCIRS"). Therefore, the Company 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.

b) How the hedging activities may affect the amount, timing and uncertainty of its future cash flows;

The summary of quantitative data about the Company'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	31st March 2020			31st March 2019		
		Average FX rate	Average interest rate	Notional Value	Average rate	Average interest rate	Notional Value
Foreign exchange and interest rate risk							
Cross currency	EUR	1.13	1.47%	1,328,870	1.13	1.47%	1,328,870
interest rate	JPY	110.75	1.13%	44,300,000	110.75	1.13%	44,300,000

c) The effect that hedge accounting has had on the entity'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 Company is, as follows:

Particulars	Currency	31st March 2020				31st March 2019			
		Nominal amount	Carrying amount	Change in fair value of hedging	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									
- CCIRS	EUR	1,328,870	21,391	19,485	(19,485)	995,590	2,399	2,439	(2,439)
	JPY	-	-	-	-	44,300,000	345	397	(397)
Liabilities									
Cash flow hedge									
Foreign exchange contracts									
- CCIRS	EUR	-	-	-	-	333,280	(563)	(532)	532
- CCIRS	JPY	44,300,000	(10,155)	(10,550)	10,550				

* used as the basis for hedge ineffectiveness

Cash flow hedges	31st March 2020				31st March 2019			
	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								
- CCIRS	57,380	(29,636)	Forex gain/(loss)	Other financial assets (Non-current and Current)	2,300	(7,623)	Forex gain/(los	Other financial liabilities (Non-current and Current)
		(46,490)	Interest on borrowing			(6,213)	Interest on borrowing	

Reconciliation of reserves

Cash flow hedge reserves

Particulars	31st March 2020	31st March 2019
Opening balance	(11,531)	-
Hedging gain or loss	57,380	2,300
Amount reclassified to P&L because the hedged item affected P&L	(76,126)	(13,831)
Closing balance	**(30,277)**	(11,531)

49 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, 2020 and March 31, 2019.

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.

THE GROUP

	31-Mar-20	31-Mar-19
	USD '000	USD '000
Bonds	**794,041**	792,730
Borrowings	**2,865,568**	3,196,926
Less: cash and cash equivalents	**(861,047)**	(379,970)
Net debt	**2,798,562**	3,609,686
Total equity	**2,414,795**	2,414,795
Gearing ratio	**1.16**	1.49

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.

50 LEASES

The Group has adopted IFRS 16 "Leases" with a date of initial application of 1 April 2019. As a result, the Group has changed its accounting policy for lease contracts.

The Group applied IFRS 16 using the modified retrospective approach and recognized lease liability equal to the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

The Group recognized 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.

In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

Refer Note 4 (a) for accounting policies on "Leases".

A. Transition Disclosures

i. Impact on financial statements

On transition to IFRS 16, the Group recognised USD 54,218 thousand of right-of-use assets and USD 54,218 thousand of lease liabilities. There was no difference recognised in retained earnings on date of initial application of the standard as the Group adopted the approach whereby the right-of-use assets are initially measured equal to the lease liability.

When measuring lease liabilities, the Group discounted lease payments using the incremental borrowing rate of the respective lease liability at 1 April 2019. The weighted-average rate applied is 5.83%.

ii. Reconciliation of operating lease commitment as at 31 March 2019 with lease liability recognized as at 1 April 2019:

USD'000

Operating lease commitment as at 31 March 2019 as disclosed under IAS 17 in group's consolidated financial statements:	12451
Less: Recognition exemption for leases of low-value assets	-
Less: Recognition exemption for leases with less than 12 months of lease term at transition	-
	12,451
Discounted using the incremental borrowing rate at 1 April 2019	(1,452)
Finance lease liabilities recognised as at 31 March 2019	2,236
Other reconciliation items (to be specified)	(297)
Extension options reasonably certain to be exercised:	41,280
Lease liability recognized as at 1 April 2019:	**54,218**

iii. Practical expedients opted by the group

(a) Separation of non-lease components from lease components

(b) Application of standard on a portfolio of leases with similar characteristics

(c) Reassessment whether a contract contains a lease as at the date of initial application i.e. 01.04.2019

(d) Non application of IFRS 16 for the leases for which the remaining lease term is less than 12 months as on the date of initial application.

(e) The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(f) Use of hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

50 LEASES (continued)

B. Leases as lessee

Qualitative Note: Nature of the lessee's leasing activities.

2019 - 2020

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

USD'000	Land and Buildings	Plant and Machinery	Vehicles	Office equipment	Total
Adoption of IFRS 16 "Leases"	32,608	1,141	19,488	981	54,218
Additions to right of use assets	32,844	902	2,698	466	36,910
Depreciation charge for the year	(10,814)	(507)	(9,009)	(475)	(20,805)
Derecognition of right—of—use assets	(43)	-	(354)	(60)	(457)
Balance at 31 March 2020	**54,595**	**1,536**	**12,823**	**912**	**69,866**

ii. Lease liability	**2019 - 2020**
USD'000	
Maturity analysis of lease liability - undiscounted contractual cash flows	
Less than one year	12,893
One to three years	23,294
More than three years	53,363
Total undiscounted cash flows	**89,550**
Lease liability	
Current	**12,893**
Non-current	**61,117**
Total lease liability	**74,010**

iii. Amount recognised in profit or loss	**2019 - 2020**
USD'000	
Other income	
Income from sub-leasing right-of-use assets presented in 'other revenue'	-
General and administrative expenses	
Short-term lease rent expense	8,209
Low value asset lease rent expense	159
Variable lease rent expense	508
Other lease expense (additional cost)	381
Depreciation and impairment losses	
Depreciation of right of use lease asset	20,782
Impairment losses of right of use lease asset	24
Finance cost	
Interest expense on lease liability	4,171
Currency translation gains on lease liability	(5)
Currency translation losses on lease liability	11
	34,240

iv. Amount recognised in statement of cash flows	**2019 - 2020**
Cash outflow for short-term leases	8,209
Cash outflow for low-value asset leases	159
Cash outflow for variable leases	508
Total cash outflow for short-term leases, low-value and variable leases	**8,877**
Principal component of Cash outflow for long-term leases	15,519
Interest component of Cash outflow for long-term leases	4,172
Total cash outflow for lont term leases	**19,691**

v. Lease commitments for short term leases	**2019 - 2020**
Lease commitments for short term leases	**640**

(Disclosure required only if the portfolio of short term leases to which the group is committed at the end of the reporting period is dissimilar to the portfolio of short term lease expense disclosed in PL statement.)

vi. Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. There is no potential exposure to any future cash outflows with reference to unexcercised extension options.

UPL CORPORATION LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2019

UPL CORPORATION LIMITED
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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		Date of appointment:	*Date of resignation:*
DIRECTORS	: Gyaneshwarnath **Gowrea**	12-Jan-09	-
	Uttam **Danayah**	2-Feb-12	18-Jul-18
	Jimmy Erach **Dadrewalla**	30-Aug-16	13-Mar-19
	Doomraj **Sooneelall**	13-Mar-18	-
	Roberta Bromberg **Bowman**	22-Jan-19	-
	Jerome Andre Etienne **Peribere**	22-Jan-19	-
	Davor **Pisk**	22-Jan-19	-
	Vikram Rajnikant **Shroff**	18-Jan-19	-
	Jaidev Rajnikant **Shroff**	18-Jan-19	-
	Hardeep **Singh**	4-Dec-18	-
	Puneet **Bhatia**	30-Jan-19	-
	Uttam **Danayah**	13-Mar-19	-
	Peter Deane **Scala**	30-Jan-19	-
	Stephen Gerald **Dyer**	18-Mar-19	-

ADMINISTRATOR & CORPORATE SECRETARY : IQ EQ Corporate Services (Mauritius) Ltd
(Formerly known as SGG Corporate Services (Mauritius) Ltd)
33, Edith Cavell Street
Port Louis, 11324
Republic of Mauritius

REGISTERED & BUSINESS OFFICE ADDRESS : 5th Floor, Newport Building
Louis Pasteur Street
Port Louis
Republic of Mauritius

BANKERS : Barclays Bank Mauritius Limited
SBM Bank (Mauritius) Limited
Barclays Private Clients International Limited, Isle of Man
Citibank NA, Hong Kong Branch

AUDITORS : **Crowe ATA**
2nd Floor, Ebene Esplanade
24, Bank Street, Cybercity
Ebene 72201
Republic of Mauritius

The directors present their commentary together with the consolidated and separate financial statements of **UPL CORPORATION LIMITED** (the "Company") and its subsidiaries together referred to as the "Group" for the financial year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The Company was incorporated on 30 July 1993 and the main activities of the Company and its subsidiaries are those of manufacturing and marketing of crop protection chemicals, speciality chemicals, seeds, investment holding and providing management and financial support to group companies and international trading.

AMALGAMATION

Effective from 28 February 2018, UPL Limited, Mauritius a wholly owned subsidiary of the Company was amalgamated with the Company and accordingly all its assets, liabilities and retained earnings were transferred to the Company as described in note 52 of these financial statements.

RESULTS AND DIVIDENDS

The results for the year are shown in the consolidated and separate statement of profit or loss and other comprehensive income.

The directors take note that an interim dividend of USD 60,000 thousand was paid during the year (2018: USD 55,250 thousand). The directors do not recommend the payment of any further dividend for the year under review.

DIRECTORS

The present membership of the Board is set out on page 1. All the directors served office throughout the year except for Mrs Sonia Lutchmiah who has resigned on 13 March 2018 and Mr Doomraj Sooneelall who has been appointed on 13 March 2018 in her stead.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors have prepared the consolidated and separate financial statements for the financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Group and of the Company. In preparing those consolidated and separate financial statements, the directors have:

- Selected suitable accounting policies and then apply them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the consolidated and separate financial statements; and
- Prepared the consolidated and separate financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the consolidated and separate financial statements are properly prepared in accordance with IFRS. They have confirmed that they have complied with the above requirements in preparing the consolidated and separate financial statements.

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 auditors, **Crowe ATA**, have indicated their willingness to continue in office, until the next annual meeting.

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **UPL CORPORATION LIMITED** (the "Company") under the Mauritius Companies Act 2001 for the financial year ended 31 March 2019.

For **IQ EQ Corporate Services (Mauritius) Ltd**
Secretary

Date: 13 May 2019

IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port-Louis, 11324, Mauritius

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Crowe

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INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of UPL CORPORATION LIMLITED (the "Company") and its subsidiaries (together referred as the "Group"), as set out on pages 8 to 91, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group and of the Company as at 31 March 2019, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mauritius and we have fulfilled other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

The Company has prepared a separate set of financial statements for the year ended 31 March 2019 in accordance with International Financial Reporting Standards and the Mauritius Companies Act 2001 and on which we issued a separate auditors' report to the shareholders of the Company dated 13 May 2019.

Crowe

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the audit of the consolidated financial statements (Continued)

Other information

The directors are responsible for the other information. The other information comprises the Commentary of the directors, the Company Secretary's certificate, which we obtained prior to the date of this auditors' report. Other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or 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 on the other information that we obtained prior to the date of this auditors' report, 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.

Responsibilities of the directors and those charged with governance for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's and 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 directors either intend to liquidate the Group and/or Company or to cease operations, or have no realistic alternative but to do so.

Crowe

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the audit of the consolidated financial statements (Continued)

Auditors' responsibilities for the audit of the consolidated financial statements (Continued)

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 auditors' 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 ISA 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 ISA, 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, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- Conclude on the appropriateness of the 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 Group and 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group and/or Company 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; and

Crowe

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE SHAREHOLDERS OF UPL CORPORATION LIMITED

Report on the audit of the consolidated financial statements (Continued)

Auditors' responsibilities for the audit of the consolidated financial statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 deficiency in internal control that we identify during our audit.

In forming our opinion, we report as follows:

- We have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- We have obtained all the information and explanations that we required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Use of this report

This report is made solely for the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to them those matters we are required to state in our auditors' report and no other purpose. We do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for opinion we have formed.

Crowe ATA

Crowe Horwath ATA
Public Accountants
Ebene, Mauritius

Date: 13 May 2019

Vijay Bohorun, FCCA
Signing Partner
Licensed by FRC

		THE GROUP		THE COMPANY	
		2019	2018	**2019**	2018
	Notes	**USD '000**	USD '000	**USD '000**	USD '000
ASSETS					
Non-current assets					
Goodwill	*7(a)*	**2,264,253**	159,718	**-**	-
Intangible assets	*7(b)*	**1,718,351**	115,338	**6,956**	5,480
Intangible assets under development	*7(d)*	**79,167**	29,129	**-**	-
Property, plant and equipment	*8(a)*	**308,421**	128,886	**40**	42
Capital work in progress	*8(b)*	**49,684**	71,224	**-**	-
Aircraft	*9*	**4,788**	6,053	**-**	-
Investment in subsidiaries	*10*	**-**	-	**2,521,634**	671,885
Investments stated at fair value through profit and loss	*11*	**22,610**	79,278	**-**	-
Investment in associates	*12*	**45,902**	47,568	**-**	-
Investment in joint ventures	*13 & 34 (ii)*	**10,581**	7,899	**329**	329
Deferred tax assets	*35*	**103,288**	72,194	**-**	-
Trade and other receivables	*15*	**491**	225	**-**	-
Non-current assets held for sale	*16*	**3,730**	3,057	**-**	-
Loans and advances	*14*	**62,149**	22,653	**2,674,082**	191,764
Non current investments	*53 (i)*	**1,063**	1,091	**-**	-
Convertible loan notes	*46*	**5,000**	5,000	**5,000**	5,000
Total non-current assets		**4,679,478**	749,313	**5,208,041**	874,500
Current assets					
Current investments	*53(ii)*	**283**	-	**-**	-
Inventories	*17*	**1,058,381**	460,992	**1,627**	2,445
Trade and other receivables	*15*	**1,579,696**	779,813	**317,003**	305,146
Loans and advances	*14*	**376,597**	79,683	**351,960**	402,441
Cash and cash equivalents	*18*	**379,970**	416,600	**9,083**	84,582
Total current assets		**3,394,927**	1,737,088	**679,673**	794,614
TOTAL ASSETS		**8,074,405**	2,486,401	**5,887,714**	1,669,114

Approved and authorised for issue by the Board of directors on 13 May 2019 and signed on its behalf by:

Doomraj Sooneelall
Director

Uttam Danayah
Director

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

		THE GROUP		THE COMPANY	
	Notes	**2019 USD '000**	2018 USD '000	**2019 USD '000**	2018 USD '000
EQUITY AND LIABILITIES					
Equity					
Stated capital	*19 (a)*	**18,102**	13,600	**18,102**	13,600
Share Premium	*19 (b)*	**1,314,670**	-	**1,314,670**	-
Retained earnings		**853,860**	743,987	**337,752**	342,046
Cash flow hedge reserve		**(11,531)**	-	**(11,531)**	-
Investment revaluation reserve		**(7,430)**	-	**-**	-
Translation reserves	*20*	**(218,185)**	(112,254)	**(6,748)**	(8,040)
Equity attributable to equity holders of the parent		**1,949,486**	645,333	**1,652,245**	347,606
Non-controlling interests		**83,193**	97,747	**-**	-
Total equity		**2,032,679**	743,080	**1,652,245**	347,606
Non-current liabilities					
Bonds	*47*	**792,730**	792,713	**792,730**	792,713
Borrowings	*21*	**2,956,080**	132,419	**3,208,762**	344,322
Trade and other payables	*24*	**-**	-	**3,659**	4,617
Deferred tax liabilities	*35*	**419,727**	6,672	**-**	-
Provisions	*22*	**22,937**	10,723	**-**	-
Other long term liabilities	*23*	**19,103**	14,384	**-**	-
Total non-current liabilities		**4,210,577**	956,911	**4,005,151**	1,141,652
Current liabilities					
Borrowings	*21*	**240,846**	59,904	**77,332**	15,000
Trade and other payables	*24*	**1,196,112**	625,578	**152,342**	164,170
Other payables	*25*	**221,114**	89,005	**-**	-
Provisions	*22*	**173,077**	11,923	**644**	686
Total current liabilities		**1,831,149**	786,410	**230,318**	179,856
Total liabilities		**6,041,726**	1,743,321	**4,235,469**	1,321,508
TOTAL EQUITY AND LIABILITIES		**8,074,405**	2,486,401	**5,887,714**	1,669,114

Approved and authorised for issue by the Board of directors on 13 May 2019 and signed on its behalf by:

Doomraj Sooneelall
Director

Uttam Danayah
Director

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

		THE GROUP		THE COMPANY	
		2019	2018	**2019**	2018
Income	*Notes*	**USD '000**	USD '000	**USD '000**	USD '000
Revenue from operation	*26*	**2,602,822**	2,139,904	**244,633**	366,145
Cost of sales	*27*	**(1,522,732)**	(1,194,975)	**(205,859)**	(303,779)
Direct costs	*28*	**(199,450)**	(187,060)	**-**	-
Gross profit		**880,640**	757,869	**38,774**	62,366
Other income	*29*	**18,389**	14,507	**120,324**	40,432
		899,029	772,376	**159,098**	102,798
Less: Expenses					
Administration expenses	*30*	**(88,820)**	(66,650)	**(7,782)**	(8,036)
Other expenses	*31(a)*	**(341,472)**	(298,563)	**(54)**	(6,079)
Exchange (loss) / gain	*31(b)*	**(34,890)**	156	**-**	-
Depreciation and impairment		**(23,329)**	(18,505)	**(12)**	(19)
Gain on disposal of investment in subsidiary		**-**	-	**293**	-
Amortisation		**(62,895)**	(37,163)	**(2,967)**	(1,825)
Finance costs	*33*	**(142,325)**	(93,829)	**(80,021)**	(55,666)
Profit from operations		**205,298**	257,822	**68,555**	31,173
Provision/(reversal) of diminution of investment		**(1,846)**	1,998	**-**	-
Arysta Acquisition/Integration Cost	*49*	**(52,918)**	-	**(11,759)**	-
Restructuring cost	*32*	**(2)**	(4,535)	**-**	(906)
Share of loss from associates	*34(i)*	**366**	(16,389)	**-**	-
Share of profit from joint ventures	*34(ii)*	**1,622**	1,048	**-**	-
Product contamination and counterfeiting	*45*	**(11,272)**	(2,008)	**-**	-
Fine on due amount of ICMS		**-**	(776)	**-**	-
Others			(88)	**-**	-
Customer compensation claim		**-**	(1,208)	**-**	-
Profit before taxation		**141,248**	235,864	**56,796**	30,267
Taxation	*35*	**(7,726)**	(29,013)	**(1,090)**	(1,281)
Profit for the year		**133,522**	206,851	**55,706**	28,986
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss:					
Currency translation differences	*20*	**(105,931)**	(527)	**1,292**	23,470
Items that may be reclassified subsequently to profit or loss:		**-**	-	**-**	-
Cash flow from hedging		**(11,531)**	-	**(11,531)**	-
Fair value of investment		**(7,430)**	-	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**8,630**	206,324	**45,467**	52,456
PROFIT FOR THE YEAR ATTRIBUTABLE TO:					
Equity holders of the parent		**130,518**	205,285	**55,706**	28,986
Non-controlling interests		**3,004**	1,566	**-**	-
		133,522	206,851	**55,706**	28,986

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

THE GROUP

	Stated capital	Share Premium reserve	Fair value on investment	Translation reserves	Cash flow hedge	Retained earnings	Attributable to equity holders of parent	Non-controlling interests	Total equity
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
At 1 April 2017	13,600	-		(111,727)	-	618,398	520,271	70,751	591,022
Total comprehensive income for the year	-	-		(527)	-	205,285	204,758	1,566	206,324
Acquisition of non-controlling interest	-	-		-	-	(22,880)	(22,880)	19,388	(3,492)
Acquisition under common control in Advanta Indonesia	-	-		-	-	(1,566)	(1,566)	1,566	-
Currency translation difference	-	-		-	-	-	-	6,384	6,384
Dividends	-	-		-	-	(55,250)	(55,250)	(1,908)	(57,158)
At 31 March 2018	13,600	-	-	(112,254)	-	743,987	645,333	97,747	743,080
Total comprehensive income for the year	-	-	(7,430)	-	-	130,518	123,088	3,004	126,092
Issue of shares at premium	4,502	-	-			-	4,502	-	4,502
TPG and ADIA contribution		1,195,980					1,195,980		1,195,980
UPL India contribution		143,518					143,518		143,518
Share issue expenses		(24,828)					(24,828)		(24,828)
Cash flow from hedging	-	-	-	-	(11,531)	-	(11,531)	-	(11,531)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(37,023)	(37,023)
Acquisition under common control in Advanta Group	-	-	-	-	-	39,690	39,690	(39,690)	-
Arysta of non-controlling interest as on opening balance sheet	-	-	-	-	-	-	-	69,785	69,785
Actuarial valuation	-	-	-	-	-	(336)	(336)	-	(336)
Currency translation difference	-		-	(105,931)	-	-	(105,931)	(8,138)	(114,069)
Dividends	-		-	-	-	(60,000)	(60,000)	(2,492)	(62,492)
At 31 March 2019	18,102	1,314,670	(7,430)	(218,185)	(11,531)	853,860	1,949,486	83,193	2,032,679

THE COMPANY

	Stated capital	Cash flow hedge	Share Premium reserve	Translation reserves	Retained earnings	Total equity
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
At 1 April 2017	13,600	-	-	(31,510)	150,716	132,806
Translation reserve:						
Arising during the year (Note 20)	-	-	-	23,470	-	23,470
Effect of amalgamation (note 52)	-	-	-	-	217,594	217,594
Profit for the year	-	-	-	-	28,986	28,986
Dividends	-	-	-	-	(55,250)	(55,250)
At 31 March 2018	13,600	-	-	(8,040)	342,046	347,606
Translation reserve:						
Arising during the year (Note 20)	-	-	-	1,292	-	1,292
Issue of shares at premium	4,502	-	-	-	-	4,502
TPG and ADIA contribution	-	-	1,195,980	-	-	1,195,980
UPL India contribution	-	-	143,518	-	-	143,518
Share issue expenses	-	-	(24,828)	-	-	(24,828)
Dvidend paid	-	-	-	-	(60,000)	(60,000)
Cash flow from hedging	-	(11,531)	-	-	-	(11,531)
Effect of amalgamation (note 52)	-	-	-	-	-	-
Profit for the year	-	-	-	-	55,706	55,706
At 31 March 2019	18,102	(11,531)	1,314,670	(6,748)	337,752	1,652,245

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	USD '000	USD '000	**USD '000**	USD '000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**141,248**	235,864	**56,796**	30,267
Adjustments for:				
Depreciation and amortisation	**86,225**	55,669	**6,835**	2,673
Gain on disposal of investment in subsidiary	**-**	-	**(293)**	-
Finance costs	**142,325**	93,829	**-**	-
Reversal of / provision for doubtful debts and advances	**(10,923)**	932	**-**	-
Assets written off	**620**	136	**-**	-
Bad debts written off	**1,354**	312	**-**	-
(Reversal of) / provision for diminution in value of investment	**1,846**	(1,998)	**-**	-
Gain on sale of assets (net)	**(382)**	(286)	**-**	-
Bargain purchase on step acquisition	**-**	(79)	**-**	-
Interest income	**(15,123)**	(14,288)	**-**	
Excess provisions in respect of earlier years written (off)/back (net)	**(1,589)**	418	**-**	-
Net gain on disposal of current investments	**28**	-	**-**	-
Share of (profit) / loss from associates	**(366)**	16,388	**-**	-
Share of profits of joint ventures	**(1,622)**	(1,048)	**-**	-
Operating profit before working capital changes	**343,641**	385,849	**63,338**	32,940
(Increase) / decrease in inventories	**(12,405)**	(20,260)	**818**	801
Decrease / (increase) in trade and other receivables	**78,847**	(24,654)	**(11,857)**	(129,918)
Decrease in other current assets	**6,278**	3,146	**-**	-
Decrease /(increase) in long term and short term loans and advances	**22,163**	(656)	**-**	-
Increase / (decrease) in trade and other payables	**84,768**	48,488	**(12,786)**	17,414
Increase / (decrease) in long term and short term provisions	**(1,443)**	1,162	**-**	-
Decrease in other liabilities	**(59,027)**	(19,726)	**-**	-
Cash generated from/(absorbed by) operations	**462,822**	373,349	**39,513**	(78,763)
Tax paid	**(38,743)**	(16,677)	**(1,132)**	(1,026)
Net cash from/(used in) operating activities	**424,079**	356,672	**38,381**	(79,789)

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	USD '000	USD '000	**USD '000**	USD '000
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment including capital work in progress and capital advances	**(69,127)**	(97,258)	**(10)**	(13)
Acquisition of intangible assets	**-**	-	**(4,443)**	(3,078)
Proceeds from sale of property, plant and equipment	**988**	1,513	**-**	-
Investment in associates	**-**	(44,950)	**-**	-
Payment for acquisition of Arysta Group	**(4,358,004)**	-	**-**	-
Payment for acquisition of additional stake in subsidiaries	**-**	(3,413)	**-**	-
Proceeds from disposal of investment in subsidiary	**64,895**	-	**1,332**	-
Acquisition of subsidiaries, net of cash	**-**	-	**-**	-
Investment in subsidiaries	**-**	-	**(1,850,788)**	(58,082)
Purchase of investments	**(13,714)**	(65,936)	**-**	-
Loan to related parties	**-**	-	**(2,431,837)**	(117,960)
Sundry loans received (net)	**(134,559)**	2,324	**-**	-
Payment to current investment	**(28)**	-	**-**	-
Interest received	**15,123**	14,288	**-**	-
Net cash used in investing activities	**(4,494,426)**	(193,432)	**(4,285,746)**	(179,133)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net proceeds from issuance of bonds	**-**	-	**-**	298,020
Bonds transaction cost	**-**	-	**-**	(2,807)
Borrowings (Net)	**2,873,452**	(6,314)	**2,922,933**	(11,239)
Interest paid and other financial charges	**(131,207)**	(100,791)	**-**	-
Dividend paid to minority shareholders by subsidiaries	**(2,492)**	(1,908)	**-**	-
Payment to non-controlling interest share holder on redemption of preference shares	**(37,023)**	-	**-**	-
Share capital by UPL (with premium)	**144,000**	-	**144,000**	-
Share capital by ADIA and TPG (with premiun)	**1,200,000**	-	**1,200,000**	-
Issue of share expenses	**(24,828)**	-	**(24,828)**	-
Dividends paid	**(60,000)**	(55,250)	**(60,000)**	(55,250)
Net cash (used in)/from financing activities	**3,961,902**	(164,263)	**4,182,105**	228,724
Net decrease in cash and cash equivalents	**(108,445)**	(1,023)	**(65,260)**	(30,198)
Cash and cash equivalents at start of the year	**416,600**	423,906	**84,582**	117,809
Cash and cash equivalent on acquisition of subsidiaries	**147,488**	-	**-**	-
Effect of cash flow hedge	**-**	-	**(11,531)**	-
Effect of amalgamation	**-**	-	**-**	219
Effect of exchange rate difference	**(75,673)**	(6,284)	**1,292**	(3,248)
Cash and cash equivalents at end of the year	**379,970**	416,600	**9,083**	84,582

The notes as set out on pages 14 to 91 form an integral part of these consolidated and separate financial statements.

1. GENERAL INFORMATION

UPL CORPORATION LIMITED (the "Company") was incorporated in Mauritius, under the Mauritius Companies Act 1984, now governed by the Mauritius Companies Act 2001, as a private company on 30 July 1993 with limited liability by shares and subsequently, on 26 September 2016, it was converted into a public company. The Company also holds a Category 1 Global Business License issued by the Financial Services Commission. The Company's registered office address is at Newport Building, Louis Pasteur, Port Louis, Mauritius.

The Company's and subsidiaries' main activities are those of manufacturing and marketing of crop protection chemicals, speciality chemicals, seeds, investment holding, providing management and financial support to group companies and international trading.

The consolidated and separate financial statements of the Company are expressed in United States dollar ("USD"). The Company's functional currency is the USD, the currency of the primary economic and regulatory environment in which the Company operates.

2. STATEMENT OF COMPLIANCE WITH IFRS

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and which comprise of standards and interpretations approved by the International Accounting Standards Board (IASB) and International Accounting Standards and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that remain in effect.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of presentation

The preparation of the consolidated and separate financial statements in accordance with IFRS requires the use of estimates and assumptions that could affect the reported amounts and disclosures in the consolidated and separate financial statements. Actual results may differ from these estimates.

The subsidiaries' financial statements have been prepared in accordance with accounting standards and relevant legislations prevailing in their respective countries of incorporation. As a result, the subsidiaries use the historical cost concept in preparing their financial statements.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group and in compliance with IFRS.

All significant intercompany transactions and balances between group entities are eliminated on consolidation.

On acquisition, the identifiable assets and liabilities of a subsidiaries are measured at their fair values at the date of acquisition. The non-controlling interests are stated at the minority's proportion of the fair values of the identifiable assets and liabilities. As it is impracticable to compute non-controlling interest based on the fair values of the identifiable assets and liabilities of the subsidiaries acquired, the directors have used the net assets of those subsidiaries based on their audited financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of presentation (Continued)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated and separate statement of profit or loss and comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

(b) Basis of accounting

The consolidated and separate financial statements are prepared under the historical cost convention, except for the measurement at fair value of financial instruments carried on the consolidated and separate statement of financial position.

(c) Basis of consolidation

The consolidated and separate financial statements of the Group comprise of the financial statements of the Company and its subsidiaries.

Subsidiaries are consolidated and separate from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group balances, transactions, income and expenses are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to the consolidated and separate statement of comprehensive income or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

Investment in subsidiaries

Subsidiary undertakings are those entities in which the Company has control if all of the following elements are present:

(i) power over the investee;
(ii) exposure to variable returns from the investee, and
(iii) the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

(i) The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
(ii) Substantive potential voting rights held by the Company and by other parties;
(iii) Other contractual arrangements; and

Investment in subsidiary is shown at cost, less impairment. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Investments in associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is carried in the consolidated and separate statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable asset, liabilities and contingent liabilities over the cost of the investment is deducted from the carrying amount of the investment and is recognised as income as part of the Group's share of results of the associate in the year in which the investment is acquired.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

Investments in associates (Continued)

The profit or loss reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

The Group's share of the profit or loss of its associates is shown on the consolidated and separate profit or loss. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated and separate profit or loss.

The financial statements of the associates are usually prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the consolidated and separate profit or loss.

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have a joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint venture are incorporated in the consolidated and separate financial statements using the equity method of accounting, except when investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss of the joint venture. When the Company's share of the loss of the joint venture exceeds the Company's interest in the joint venture, the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments of the joint venture.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

Investment in joint ventures (Continued)

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company's share of net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit and loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Company's investment in a joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment.

Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable of the investment subsequently increases.

(d) Revenue recognition

Income is recognised on the following basis:

(i) Interest is recognised as it accrues, unless collectability is in doubt;

(ii) Dividend income from investments is recognised when the shareholder's right to receive payment have been established;

(iii) Revenue from sales of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyers; and

(iv) Management fees, commission income, licence fees, royalty income and other income are recognised on an accrual basis.

(v) Royalty income is recognised on accrual basis in accordance with the substance with the relevant agreement. Royalties accrued in accordance with the terms of relevant agreement and are recognised on that basis, unless having regard to the substance of the agreement, it is more appropriate to recognise revenue on some other systematic and rational basis.

(e) Expense recognition

All expenses are accounted for in the consolidated and separate statement of profit or loss on an accrual basis.

(f) Foreign currency translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Foreign currency translation (Continued)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the consolidated and separate profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of other comprehensive income for the year. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated and separate financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in the statement of other comprehensive income in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation (if any) are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment and depreciation

Items of Property, plant and equipment including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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 and 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

(i) Leasehold Land

United Phosphorus Vietnam Limited:

Lease Rentals and other costs incurred in conjunction with securing the land use rights of leased land are recognised on a straight line basis over 37 years in accordance with the term of the lease.

(ii) Other Assets:

The Group depreciates on a straight line method based on following estimated useful life of assets.

Sr.No.	Description of Assets	Useful Life of Assets
1.	Aircraft	8 Years
2.	Building	18 - 60 Years
3.	Furniture, Fixtures & Equipment	3 - 15 Years
4.	Improvements-Leasehold	6 - 10 Years
5.	Laboratory equipment	10 Years
6.	Land-Leasehold	50 years or term of lease if shorter
7.	Office Equipment	3 - 33 Years
8.	Plant and Equipment	3 - 25 Years
9.	Vehicles	3 - 15 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments

Classification and measurement of financial assets

The Group had early adopted IFRS 9 last year. All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments at amortised cost

A 'debt instrument' is measured at its 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.

c)

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.

Debt instrument at Fair Value Through Other Comprehensive Income (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 recognized in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition 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 Fair Value Through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized 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 recognized in the statement of profit and loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

Equity investments

All equity investments in scope of IFRS 9 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 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 and 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 recognized in the statement of profit and loss.

Impairment of financial assets

In accordance with IFRS 9, 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) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it 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 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 Group 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.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or Fair value through profit or loss. A financial liability is classified as at Fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at Fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition- Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(i) Financial assets

(a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the reporting year.

Initial measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs for all financial assets.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Subsequent measurement

Financial assets at fair value through other comprehensive income are subsequently carried at their fair values.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any impairment.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

(i) Financial assets (continued)

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides funds, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets when maturity is within twelve months of reporting period or non-current assets for maturities greater than twelve months. Other receivables are stated at the principal amount, net of any allowance for collectible amount.

(b) Cash and cash equivalents

Cash comprises of cash at bank and cash in hand. 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.

(ii) Financial liabilities

(a) Trade and other payables

Trade and other payables are stated at their nominal value.

(b) Bonds- Senior Notes

Bonds are recognised at value being their issue proceeds net of transaction costs incurred. Bonds are classified as non-current liabilities unless settlement of the liability is at least twelve months after the reporting date.

(c) Borrowings

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

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 the reporting date.

(i) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss. The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Derivative financial instruments and hedge accounting (Continued)

Intangible assets

Expenditure incurred on product acquisitions are amortised on straight line basis over a period of fifteen years from the month of addition to match their expected future economic benefits.

Germplasm are amortised on straight line basis over a period of ten to fifteen years.

All other intangible assets are amortised on straight line basis over a period of three to five years.

Equity

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity.

Retained earnings include all current and prior period results as disclosed in the consolidated and separate statement of profit or loss and other comprehensive income.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. They include provisions for retirement benefits, leave encashment and gratuity.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Related parties

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

(i) has control or joint control over the Company;
(ii) has significant influence over the Company; or
(iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
(iii) Both entities are joint ventures of the same third party;
(iv) One entity is a joint venture of a third party and the other entity is an associate of the third entity;
(vi) If the Company is itself such a plan, the sponsoring employers are also related to the Company;
(vi) The entity is controlled or jointly controlled by a person identified in (a); and
(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

(k) Employee benefits

(i) The Group's subsidiaries are having a defined benefit pension plan which covers all full-time employees of the Company. Funding of the plan is made through payment to various funds managed by a third party and is in accordance with the funding requirements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Income tax

Income taxes currently payable are provided for in accordance with the existing legislation within the respective jurisdiction in which the Company and its subsidiaries operate.

(m) Deferred taxation

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rate and tax laws substantively enacted at reporting date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the sufficient future taxable income will be available against which such deferred tax assets can be realised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Inventories

Inventories are stated at the lower of cost and net realisable value.

(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 weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

(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 costing basis which approximates the actual cost.

(iii) Traded goods are valued at lower of cost or net realisable value.

(o) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and its value in use. Impairment losses (if any) are recognised as an expense in the consolidated and separate statement of profit or loss.

(p) Sale of trade receivable

The Group sells insured trade receivables to banks whereby significant risks and rewards are transferred and this transfer is treated as "true sale" for both legal and financial reporting purposes and accordingly, these receivables are not reflected in the of the consolidated and separate statement of financial position.

(q) Non-current assets held-for-sale

Non-current assets are classified as held-for-sale if their carrying amount will be recovered principally through a sale of transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Aircraft

Aircraft is recorded at cost less depreciation and provision for impairment, if any. Cost comprises of the purchase price and any attributable cost of bringing the aircraft to its working condition for its intended use. Depreciation is computed on the straight line method, based on the useful life of the aircraft on 100% of the acquisition cost and with a zero residual value. Annual depreciation rates used is 12.5% per annum.

Normal disbursements for repairs and maintenance are charged to the consolidated and separate profit or loss and significant costs that improve the efficiency and extend the useful life of the aircraft, are capitalised.

Repairs and maintenance

The Company utilises the built-in overhaul method to account for the major maintenance of the aircraft. Under the built-in overhaul method, the cost of the initial major maintenance activity is recorded as a deferred charge and is amortised over a period of 8 years.

(s) Biological Assets

Sinagro Produtos Agropecuários S.A. and 3SB Produtos Agrícolas S.A.

Biological assets of the group consists of harvest of soybean, corn, cotton and beans. Such biological assets are recognised at fair value, less cost to sell, when the Group controls the asset as a result of past events, it is probable that future economic benefits associated with the asset will flow to the enterprise, and the fair value or cost of the asset can be measured reliably. Any changes to fair value are recognised in the consolidated and separate statement of profit and loss.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

(a) New standards and amendments – applicable 1 April 2018

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 April 2018:

IFRS 9 Financial Instruments and associated amendments to various other standards

IFRS 9 replaces the multiple classification and measurement models in IAS 39 Financial instruments: Recognition and measurement with a single model that has initially only two classification categories: amortised cost and fair value.

Classification of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest.

All other debt and equity instruments, including investments in complex debt instruments and equity investments, must be recognised at fair value.

All fair value movements on financial assets are taken through the statement of profit or loss, except for equity investments that are not held for trading, which may be recorded in the statement of profit or loss or in reserves (without subsequent recycling to profit or loss).

For financial liabilities that are measured under the fair value option entities will need to recognise the part of the fair value change that is due to changes in the their own credit risk in other comprehensive income rather than profit or loss.

The new hedge accounting rules (released in December 2013) align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model. With these amendments, IFRS 9 is now complete. The changes introduce:
- a third measurement category (FVOCI) for certain financial assets that are debt instruments
- a new expected credit loss (ECL) model which involves a three stage approach whereby financial assets move through the three stages as their credit quality changes. The stage dictates how an entity measures impairment losses and applies the effective interest rate method. A simplified approach is permitted for financial assets that do not have a significant financing component (eg trade receivables). On initial recognition, entities will record a day-1 loss equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

For financial years commencing before 1 February 2015, entities could elect to apply IFRS 9 early for any of the following:
- the own credit risk requirements for financial liabilities
- classification and measurement (C&M) requirements for financial assets
- C&M requirements for financial assets and financial liabilities, or
- C&M requirements for financial assets and liabilities and hedge accounting.

After 1 February 2015, the new rules must be adopted in their entirety.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) New standards and amendments – applicable 1 April 2018 (Continued)

IFRS 15 Revenue from contracts with customers and associated amendments to various other standards

The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

A new five-step process must be applied before revenue can be recognised:
- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the contract
- allocate the transaction price to each of the separate performance obligations, and
- recognise the revenue as each performance obligation is satisfied.

Key changes to current practice are:
- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements.
- Revenue may be recognised earlier than under previous standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) – minimum amounts must be recognised if they are not at significant risk of reversal.
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
- There are new specific rules on licences, warranties, non-refundable upfront fees and, consignment arrangements, to name a few.

- As with any new standard, there are also increased disclosures.

These accounting changes may have flow-on effects on the entity's business practices regarding systems, processes and controls, compensation and bonus plans, contracts, tax planning and investor communications.

The adoption of IFRS 15 did not have any impact on the Group's financial position and performance.

Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2

The amendments made to IFRS 2 in June 2016 clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. They also introduce an exception to the classification principles in IFRS 2. Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole award will be treated as if it was equity-settled provided it would have been equity-settled without the net settlement feature.

Entities with the following arrangements are likely to be affected by these changes:
- equity-settled awards that include net settlement features relating to tax obligations
- cash-settled share-based payments that include performance conditions, and
- cash-settled arrangements that are modified to equity-settled sharebased payments.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) New standards and amendments – applicable 1 April 2018 (Continued)

Annual improvements 2014-2016 cycle

The following improvements were finalised in December 2016:

• IFRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.

• IAS 28 - clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

(b) Standards issued but not yet effective

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending 31 March 2019.

IFRS 16 Leases

IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.

The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under IFRS 16, 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.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) Standards issued but not yet effective (continued)

Interpretation 23 Uncertainty over Income Tax Treatments

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

While there are no new disclosure requirements, entities are reminded of the general requirement to provide information about judgements and estimates made in preparing the financial statements.

Prepayment Features with Negative Compensation – Amendments to IFRS 9

The narrow-scope amendments made to AASB 9 Financial Instruments in December 2017 enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss.

To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28

The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under AASB 9 Financial Instruments before applying the loss allocation and impairment requirements in AASB 128 Investments in Associates and Joint Ventures.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) Standards issued but not yet effective (continued)

Annual Improvements to IFRS Standards 2015-2017 Cycle

The following improvements were finalised in December 2017:

- IFRS 3 - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.

- IFRS 11 - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

- IAS 12 - clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

- IAS 23 - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Plan Amendment, Curtailment or Settlement – Amendments to IAS 19

The amendments to IAS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :
- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling
- separately recognise any changes in the asset ceiling through other comprehensive income.

Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The IASB has made limited scope amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures.

The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations).

Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's investors in the associate or joint venture. The amendments apply prospectively.

In December the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The following are the management's judgements made in applying the accounting policies of the Group that have the most significant effect on the consolidated and separate financial statements.

(a) Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in note 1, the directors have considered those factors therein and have determined that the functional currency of the Company is the United States dollar ("USD").

(b) Impairment of financial assets

IFRS 9 effectively incorporates an impairment review for financial assets that are measured at fair value, as any fall in fair value is taken to profit or loss or other comprehensive income for the year, depending upon the classification of the financial asset.

For financial assets designated to be measured at amortised cost, management has based on its assessment at each reporting date noted that there are no evidence or any such indications of events which may have impact on future cash flows of the Company. As at reporting date, management has reviewed the receivables from non-group customers based on the ECL model and since based on group policies these receivables are not overdue for more than 270 days, there was no requirement to provide for an impairment loss allowance. Therefore, they believe no impairment provision is required to be made to the financial statements.

(c) 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.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Translation reserve

The Company has granted a quasi-equity long term foreign currency loan for some investment activities by its subsidiaries. As settlement date of the loan is not determined as at the reporting date, exchange differences arising on translation of the loan has been recognised in other comprehensive income and under translation reserve in equity. The translation reserve amounting to USD 6,748 thousand (2018: USD 8,040 thousand) appearing under equity represents those translation differences on the conversion of the quasi-equity loan to USD.

(e) Share of results of associates

The associate's financial statements cover a 12 months period up to 31 December and also to 31 March and that of the group ends on 31 March. As the result of the amount for the 3 months to 31 March is not significant, directors have not made any adjustment in respect thereto.

6. ESTIMATION UNCERTAINTY

While preparing the consolidated and separate financial statements, the directors undertake a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual result may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

7. INTANGIBLE ASSETS

(a) Goodwill	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	USD '000	USD '000	**USD '000**	USD '000
At 31 March	**2,264,253**	159,718	**-**	-

(b) Net boook values	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	USD '000	USD '000	**USD '000**	USD '000
Customer list	**360,842**	208	**-**	-
Right to use assets	**276**	394	**-**	-
Germplasm	**541**	1,200	**-**	-
Brand/ Trade Marks	**54,237**	-		
Non-compete agreements	**34,861**	-		
Product registration/acquisition	**1,260,862**	112,494	**6,956**	5,480
Software	**6,732**	1,042	**-**	-
	1,718,351	115,338	**6,956**	5,480

(c) 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.

(d) INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible assets under development amounting to **USD 79,167** thousand (2018: USD 29,129 thousand) represent development of assets which are still under progress. Once development has been completed, these assets are transferred to intangible assets and amortisation are carried out accordingly.

THE GROUP

	Right to use assets	Germplasm	Brand/ Trade Marks	Non-compete agreements	Product Registration/ Acquisition	Software/ License Fees	Customer Lists	Goodwill	Total
	USD '000	USD '000			USD '000	USD '000	USD '000	USD '000	USD '000
COST									
At 1 April 2018	446	11,216	-	-	424,290	6,579	1,500	159,718	603,749
Acquisitions	-	-	58,828	49,414	1,719,021	42,196	404,226	2,114,866	4,388,551
Additions	-	-	248	-	20,650	1,054	-	-	21,952
Disposals	-	-	-	-	(11,921)	(269)	-	-	(12,190)
Impairment	-	-	-	-	-	-	-	(182)	(182)
Exchange difference	(42)	-	-	-	(27,093)	(580)	-	(10,149)	(37,864)
Other adjustments	-	-	702	-	(600)	-	-	-	102
At 31 March 2019	**404**	**11,216**	**59,778**	**49,414**	**2,124,347**	**48,980**	**405,726**	**2,264,253**	**4,964,118**
AMORTISATION									
At 1 April 2018	52	10,016	-	-	311,796	5,537	1,292	-	328,693
Charge on acquisitions	-		4,759	13,426	529,306	36,504	39,332	-	623,327
Charge on additions	81	659	64	1,209	55,039	904	4,261	-	62,217
Disposal	-		-	(50)	(11,392)	(270)	-	-	(11,712)
Other adjustments			718	(32)	(650)	65	(1)	-	100
Exchange difference	(5)		-		(20,614)	(492)	-	-	(21,111)
At 31 March 2019	**128**	**10,675**	**5,541**	**14,553**	**863,485**	**42,248**	**44,884**	**-**	**981,514**
NET BOOK VALUES									
At 31 March 2019	**276**	**541**	**54,237**	**34,861**	**1,260,862**	**6,732**	**360,842**	**2,264,253**	**3,982,604**
At 31 March 2018	394	1,200	-	-	112,494	1,042	208	159,718	275,056

8. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP / THE COMPANY

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	USD '000	USD '000	**USD '000**	USD '000
Net book values				
Freehold land	**24,759**	19,523	-	-
Land – leasehold	**13,746**	1,760	-	-
Building	**100,414**	27,398	-	-
Plant and machinery	**136,554**	57,858	-	-
Laboratory equipment	**3,393**	3,644	-	-
Furniture, fixture and equipment	**7,026**	2,575	-	-
Vehicles	**13,981**	7,097	-	-
Leased vehicles	**24**	55	-	-
Office equipment	**4,056**	4,276	**40**	42
Land improvements	**125**	172	-	-
Building improvements	**3,484**	3,611	-	-
Building - leasehold	**859**	864	-	-
Furniture, fixture and equipment taken on lease	**0**	53	-	-
	308,421	128,886	**40**	42

(b) CAPITAL WORK IN PROGRESS

Capital work in progress amounted to **USD 49,684** thousand (2018: USD 71,224 thousand) represents the projects which are still under progress. Once these projects have been completed, they are transferred to property, plant and equipment and depreciation are carried out accordingly.

8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE GROUP

	Freehold Land	Leasehold Land	Building	Leasehold Building	Plant and Machinery	Laboratory Equipment	Furniture Fixtures and Equipment	Vehicles	Land Improvements	Building Improvements	Office Equipment	Vehicles under finance lease	Furniture Fixture Equipment under finance lease	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
COST														
At 1 April 2018	19,523	1,879	54,584	4,156	203,848	8,056	5,608	13,525	2,735	5,267	9,635	160	97	329,073
Acquisitions	5,584	17,788	100,670	-	151,954	-	13,897	14,199	-	-	-	-	-	304,092
Additions	339	66	30,022	286	42,748	423	956	4,359	-	408	1,339	(10)	-	80,936
Disposals	(6)	(316)	(97)	-	(7,829)	(128)	(520)	(1,407)	-	(30)	(414)	-	(85)	(10,832)
Exchange differences	(681)	(212)	(3,162)	(387)	(15,174)	(461)	(345)	(1,316)	(257)	(177)	(630)	(12)	(12)	(22,826)
Other adjustments	-	-	(50)	-	253	-	(79)	(122)	-	-	-	-	-	2
At 31 March 2019	**24,759**	**19,205**	**181,967**	**4,055**	**375,800**	**7,890**	**19,517**	**29,238**	**2,478**	**5,468**	**9,930**	**138**	**-**	**680,445**
DEPRECIATION														
At 1 April 2018	-	119	27,186	3,292	145,990	4,412	3,033	6,428	2,563	1,656	5,359	105	44	200,187
Charge on acquisitions	-	5,253	53,785	-	100,281	-	9,299	7,559	-	-	-	-	-	176,177
Charge on additions	-	150	2,674	211	11,632	517	638	3,066	31	394	1,283	16	1	20,613
Disposal	-	(61)	(93)	-	(7,555)	(110)	(409)	(1,069)	-	(12)	(394)	-	(40)	(9,743)
Exchange differences	-	(2)	(1,999)	(307)	(10,982)	(322)	(200)	(617)	(241)	(54)	(374)	(7)	(5)	(15,110)
Other adjustments	-	-	-	-	(120)	-	130	(110)	-	-	-	-	-	(100)
At 31 March 2019	**-**	**5,459**	**81,553**	**3,196**	**239,246**	**4,497**	**12,491**	**15,257**	**2,353**	**1,984**	**5,874**	**114**	**-**	**372,024**
NET BOOK VALUES														
At 31 March 2019	**24,759**	**13,746**	**100,414**	**859**	**136,554**	**3,393**	**7,026**	**13,981**	**125**	**3,484**	**4,056**	**24**	**-**	**308,421**
At 31 March 2018	19,523	1,760	27,398	864	57,858	3,644	2,575	7,097	172	3,611	4,276	55	53	128,886

9. AIRCRAFT

THE GROUP

	Total
	USD '000
COST	
At 1 April 2018	12,162
Additional	
At 31 March 2019	**12,162**
DEPRECIATION	
At 1 April 2018	6,109
Charge for year	1,265
At 31 March 2019	**7,374**
NET BOOK VALUES	
At 31 March 2019	**4,788**
At 31 March 2018	6,053

10. INVESTMENT IN SUBSIDIARIES

THE COMPANY

	THE COMPANY	
	2019	2018
	USD '000	USD '000
Investments - Unquoted		
At 1 April	**671,885**	614,108
Additions	**1,850,788**	58,082
Disposal	**(1,039)**	-
Effect of amalgamation (note 52)	**-**	(305)
At 31 March	**2,521,634**	671,885

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The list of subsidiaries, associates and joint venture companies considered for consolidation together with the proportion of shareholding held by the Group is as follows:

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
1	UPL Europe Limited	Crop protection	United Kingdom		100%	100%
2	UPL Deutschland GmbH	Crop protection	Germany		100%	100%
3	UPL Polska Sp z.o.o.	Crop protection	Poland		100%	100%
4	UPL Benelux B.V.	Crop protection	Netherlands		100%	100%
5	Cerexagri B.V.	Crop protection	Netherlands		100%	100%
6	Blue Star B.V.	Crop protection	Netherlands	#4	-	100%
7	United Phosphorus Holdings Cooperatief U.A.	Crop protection	Netherlands		100%	100%
8	United Phosphorus Holdings B.V.	Crop protection	Netherlands		100%	100%
9	Decco Worldwide Post-Harvest Holdings Cooperatief U.A.	Crop protection	Netherlands		100%	100%
10	Decco Worldwide Post-Harvest Holdings B.V.	Crop protection	Netherlands		100%	100%
11	United Phosphorus Holding, Brazil B.V.	Crop protection	Netherlands		100%	100%
12	UPL Italia S.R.L.	Crop protection	Italy		100%	100%
13	UPL Iberia, S.A.	Crop protection	Spain		100%	100%
14	Decco Iberica Postcosecha, S.A.U.	Crop protection	Spain		100%	100%
15	Transterra Invest, S. L. U.	Crop protection	Spain		100%	100%
16	Cerexagri S.A.S.	Crop protection	France		100%	100%
17	Neo-Fog S.A.	Crop protection	France		100%	100%
18	UPL France	Crop protection	France		100%	100%
19	United Phosphorus Switzerland Limited	Crop protection	Switzerland		100%	100%
20	Agrodan, ApS	Crop protection	Denmark		100%	100%
21	Decco Italia SRL	Crop protection	Italy		100%	100%
22	Limited Liability Company "UPL"	Crop protection	Russia		100%	100%
23	Decco Portugal Post Harvest, Unipessoal LDA (formerly known as UPL Portugal Unipessoal LDA)	Crop protection	Portugal		100%	100%
24	United Phosphorus Inc.	Crop protection	USA		100%	100%
25	UPI Finance LLC	Crop protection	USA		100%	100%
26	Cerexagri, Inc. (PA)	Crop protection	USA		100%	100%
27	UPL Delaware, Inc.	Crop protection	USA		100%	100%
28	Canegrass LLC	Crop protection	USA		70%	70%
29	Decco US Post-Harvest Inc	Crop protection	USA		100%	100%
30	RiceCo LLC	Crop protection	USA		100%	100%
31	Riceco International, Inc.	Crop protection	Bahamas		100%	100%
32	UPL Corporation Limited	Crop protection	Mauritius		100%	100%
33	UPL Limited	Crop protection	Mauritius	#	-	100%
34	UPL Management DMCC	Crop protection	United Arab Emirates		100%	100%

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
35	UPL Limited	Crop protection	Gibraltar		100%	100%
36	UPL Agro S.A. de C.V.	Crop protection	Mexico		100%	100%
37	Decco Jifkins Mexico Sapi	Crop protection	Mexico		100%	100%
38	Uniphos Industria e Comercio de Produtos Quimicos Ltda.	Crop protection	Brazil		100%	100%
39	Upl do Brasil Industria e Comércio de Insumos Agropecuários S.A.	Crop protection	Brazil		100%	100%
40	UPL Costa Rica S.A.	Crop protection	Costa Rica		100%	100%
41	UPL Bolivia S.R.L	Crop protection	Bolivia		100%	100%
42	UPL Paraguay S.A.	Crop protection	Paraguay		100%	100%
43	Icona Sanluis S.A.	Crop protection	Argentina		100%	100%
44	DVA Technology Argentina S.A.	Crop protection	Argentina	#1	-	100%
45	UPL Argentina S A	Crop protection	Argentina		100%	100%
46	Decco Chile SpA	Crop protection	Chile		100%	100%
47	UPL Colombia SAS	Crop protection	Colombia		100%	100%
48	United Phosphorus Cayman Limited	Crop protection	Cayman Islands		100%	100%
49	UP Aviation Limited	Crop protection	Cayman Islands		100%	100%
50	UPL Australia Limited	Crop protection	Australia		100%	100%
51	UPL New Zealand Limited	Crop protection	New Zealand		100%	100%
52	UPL Shanghai Limited	Crop protection	China		100%	100%
53	UPL Limited (Korea)	Crop protection	Korea		100%	100%
54	PT.UPL Indonesia	Crop protection	Indonesia		100%	100%
55	PT Catur Agrodaya Mandiri	Crop protection	Indonesia		100%	100%
56	UPL Limited	Crop protection	Hong Kong		100%	100%
57	UPL Philippines Inc.	Crop protection	Philippines		100%	100%
58	UPL Vietnam Co. Limited	Crop protection	Vietnam		100%	100%
59	UPL Limited, Japan	Crop protection	Japan		100%	100%
60	Anning Decco Fine Chemical Co. Limited	Crop protection	China		55%	55%
61	UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi	Crop protection	Turkey		100%	100%
62	UPL Agromed Tarim Ilaclari ve Tohumculuk Sanayi ve Ticaret A.S.	Crop protection	Turkey	#2	100%	100%
63	Safepack Products Limited	Crop protection	Israel		100%	100%
64	Citrashine (Pty) Ltd	Crop protection	South Africa		100%	100%
65	UPL Africa SARL	Crop protection	Senegal	#6	-	-
66	Prolong Limited	Crop protection	Israel	#3	100%	100%
67	Perrey Participações S.A	Crop protection	Brazil		100%	100%
68	Advanta Netherlands Holding B.V.	Seed Business	Netherlands		100%	100%
69	Advanta Semillas SAIC	Seed Business	Argentina		100%	100%
70	Advanta Holdings B.V.	Seed Business	Netherlands		100%	100%
71	Advanta Seeds International	Seed Business	Mauritius		100%	100%

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
72	Pacific Seeds Holdings (Thailand) Limited	Seed Business	Thailand		100%	100%
73	Pacific Seeds (Thai) Limited	Seed Business	Thailand		100%	100%
74	Advanta Seeds Pty Ltd	Seed Business	Australia		100%	100%
75	Advanta US LLC (formerly known as Advanta U.S. Inc.)	Seed Business	USA		100%	100%
76	Advanta Comercio De Sementes LTDA.	Seed Business	Brazil		100%	100%
77	PT Advanta Seeds Indonesia	Seed Business	Indonesia		100%	100%
78	Advanta Seeds DMCC	Seed Business	United Arab Emirates		100%	100%
79	Essentiv LCC	Crop protection	USA		50%	50%
80	UPL Limited Mauritius (Formely known as UPL Agro Limited Mauritius)	Crop protection	Mauritius	`@3	100%	100%
80	UPL Jiangsu Limited	Crop protection	China	`@2	70%	70%
80	Riceco International Bangladesh Ltd	Crop protection	Bangladesh	`@3	100%	100%
80	Uniphos Malaysia Sdn Bhd	Crop protection	Malaysia	`@3	100%	100%
80	Advanta Seeds Ukraine LLC	Seed Business	Ukraine		100%	100%
80	Decco Gıda Tarım ve Zirai Ürünler San. Tic A.S.	Crop protection	Turkey	@	100%	-
80	Arysta LifeScience Investments LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience America Inc.	Crop protection	USA	@1	100%	-
80	ANESA S.A.	Crop protection	Belgium	@1	100%	-
80	Arysta LifeScience Management Company, LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience SPC, LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience India Limited	Crop protection	India	@1	100%	-
80	Arysta LifeScience Agriservice Private Limited	Crop protection	India	@1	100%	-
80	Arysta LifeScience Togo SAU	Crop protection	Togo	@1	100%	-
80	Arysta Agro Private Limited	Crop protection	India	@1	100%	-
80	Arysta LifeScience do Brasil Indústria Química e Agropecuária SA	Crop protection	Brazil	@1	87%	-
80	Volcano Agrociencia Industria e Comercio de Defensivos Agricolas Ltda	Crop protection	Brazil	@1	100%	-
80	GBM USA LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience Canada, Inc.	Crop protection	Canada	@1	100%	-
80	Arysta LifeScience Canada BC Inc.	Crop protection	Canada	@1	100%	-
80	Arysta LifeScience North America, LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience NA Holding LLC	Crop protection	USA	@1	100%	-
80	Arysta LifeScience Inc.	Crop protection	USA	@1	100%	-
80	Arysta LifeScience Services LLP	Crop protection	India	@1	100%	-
80	Arysta LifeScience France SAS	Crop protection	France	@1	100%	-
80	Arysta LifeScience Benelux SPRL	Crop protection	Belgium	@1	100%	-
80	Arysta LifeScience (Mauritius) Ltd	Crop protection	Mauritius	@1	100%	-
80	Arysta LifeScience South Africa (Pty) Ltd	Crop protection	South Africa	@1	100%	-
80	Arysta Health and Nutrition Sciences Corporation	Health Nutrition Solution	Japan	@1	100%	-

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
109	Arysta LifeScience Corporation	Crop protection	Japan	@1	100%	-
110	Arysta LifeScience S.A.S.	Crop protection	France	@1	100%	-
111	Arysta LifeScience Chile S.A.	Crop protection	Chile	@1	100%	-
112	Arysta LifeScience Mexico, S.A.de C.V	Crop protection	Mexico	@1	100%	-
113	Grupo Bioquimico Mexicano, S.A. de C.V.	Crop protection	Mexico	@1	100%	-
114	MacDermid Agricultural Solutions Netherlands Cooperatief UA	Crop protection	Netherlands	@1	100%	-
115	Arysta LifeScience UK & Ireland Ltd	Crop protection	U.K.	@1	100%	-
116	Arysta LifeScience Europe Sarl	Crop protection	France	@1	100%	-
117	MacDermid Agricultural Solutions Italy Srl	Crop protection	Italy	@1	100%	-
118	Platform Sales Suisse GmbH	Crop protection	Switzerland	@1	100%	-
119	MacDermid Agricultural Solutions Holdings BV	Crop protection	Netherlands	@1	100%	-
120	Dutch Agricultural Investment Partners LLC	Crop protection	USA	@1	100%	-
121	Netherlands Agricultural Investment Partners LLC	Crop protection	USA	@1	100%	-
122	Arysta LifeScience Bulgaria EOOD	Crop protection	Bulgaria	@1	100%	-
123	Arysta LifeScience Romania SRL	Crop protection	Romania	@1	100%	-
124	Arysta LifeScience Kiev LLC	Crop protection	Ukraine	@1	100%	-
125	Arysta LifeScience Great Britain Ltd	Crop protection	U.K.	@1	100%	-
126	Arysta LifeScience Technology BV	Crop protection	Netherlands	@1	100%	-
127	Arysta LifeScience Netherlands BV	Crop protection	Netherlands	@1	100%	-
128	Arysta LifeScience RUS LLC	Crop protection	Russia	@1	100%	-
129	Netherlands Agricultural Technologies CV	Crop protection	Netherlands	@1	100%	-
130	Dutch Agricultural Formations CV	Crop protection	Netherlands	@1	100%	-
131	Arysta LifeScience Turkey Tarim Urunleri Limited Sirketi	Crop protection	Turkey	@1	100%	-
132	Arysta LifeScience Australia Pty Ltd.	Crop protection	Australia	@1	100%	-
133	Chemtura (Thailand) Ltd	Crop protection	Thailand	@1	100%	-
134	MacDermid (Shanghai) Chemical Ltd.	Crop protection	China	@1	100%	-
135	Arysta-LifeScience Ecuador S.A.	Crop protection	Ecuador	@1	100%	-
136	Arysta LifeScience Ougrée Production Sprl	Crop protection	Belgium	@1	100%	-
137	Arysta LifeScience Hellas S.A. Plant Protection, Nutrition and Other Related Products and Services	Crop protection	Greece	@1	100%	-
138	Arysta LifeScience Iberia SLU	Crop protection	Spain	@1	100%	-
139	Arysta Lifescience Italia SrL	Crop protection	Italy	@1	100%	-
140	Agriphar Poland Sp. Zoo	Crop protection	Poland	@1	100%	-
141	Arysta LifeScience Switzerland Sarl	Crop protection	Switzerland	@1	100%	-
142	Arysta Animal Health SAS	Animal Health	France	@1	100%	-
143	PPWJ Sci	Animal Health	France	@1	100%	-
144	Santamix Iberica SL	Animal Health	Spain	@1	100%	-
145	Arysta LifeScience Global Services Limited	Crop protection	Ireland	@1	100%	-

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
146	Arysta LifeScience European Investments Limited	Crop protection	U.K.	@1	100%	-
147	Arysta LifeScience U.K. Limited	Crop protection	U.K.	@1	100%	-
148	Arysta LifeScience U.K. CAD Limited	Crop protection	U.K.	@1	100%	-
149	Arysta LifeScience U.K. EUR Limited	Crop protection	U.K.	@1	100%	-
150	Arysta LifeScience U.K. JPY Limited	Crop protection	U.K.	@1	100%	-
151	Arysta LifeScience U.K. USD Limited	Crop protection	U.K.	@1	100%	-
152	Arysta Lifescience U.K. Holdings Limited	Crop protection	U.K.	@1	100%	-
153	Arysta LifeScience Japan Holdings Goudou Kaisha	Crop protection	Japan	@1	100%	-
154	Arysta LifeScience Cameroun SA	Crop protection	Cameroon	@1	100%	-
155	Callivoire SGFD S.A.	Crop protection	Cote D'Ivoire	@1	100%	-
156	Arysta LifeScience Egypt Ltd	Crop protection	Egypt	@1	100%	-
157	Calli Ghana Ltd.	Crop protection	Ghana	@1	100%	-
158	Arysta LifeScience Kenya Ltd.	Crop protection	Kenya	@1	100%	-
159	Mali Protection Des Cultures (M.P.C.) SA	Crop protection	Mali	@1	85%	-
160	Agrifocus Limitada	Crop protection	Mozambique	@1	100%	-
161	Arysta LifeScience Holdings SA (Pty) Ltd	Crop protection	South Africa	@1	100%	-
162	Anchorprops 39 (Pty) Ltd	Crop protection	South Africa	@1	100%	-
163	Callietha Investments (Pty) Ltd	Crop protection	South Africa	@1	100%	-
164	Sidewalk Trading (Pty) Ltd	Crop protection	South Africa	@1	100%	-
165	Volcano Agroscience (Pty) Ltd	Crop protection	South Africa	@1	100%	-
166	Volcano Chemicals (Pty) Ltd	Crop protection	South Africa	@1	100%	-
167	Arysta LifeScience Tanzania Ltd	Crop protection	Tanzania	@1	100%	-
168	Arysta LifeScience (Shanghai) Co., Ltd.	Crop protection	China	@1	100%	-
169	Pt. Arysta LifeScience Tirta Indonesia	Crop protection	Indonesia	@1	50%	-
170	Arysta LifeScience Korea Ltd.	Crop protection	Korea	@1	100%	-
171	Arysta LifeScience Pakistan (Pvt.) LTD.	Crop protection	Pakistan	@1	100%	-
172	Arysta LifeScience Philippines Inc.	Crop protection	Philippines	@1	100%	-
173	Arysta LifeScience Asia Pte., Ltd.	Crop protection	Singapore	@1	100%	-
174	Arysta LifeScience (Thailand) Co., Ltd.	Crop protection	Thailand	@1	100%	-
175	Arysta LifeScience Vietnam Co., Ltd.	Crop protection	Vietnam	@1	100%	-
176	Arysta LifeScience Holdings France SAS	Crop protection	France	@1	100%	-
177	Goëmar Développement SAS	Crop protection	France	@1	100%	-
178	Laboratoires Goëmar SAS	Crop protection	France	@1	100%	-
179	Natural Plant Protection S.A.S.	Crop protection	France	@1	100%	-
180	Arysta LifeScience Czech s.r.o.	Crop protection	Czech Rpb	@1	100%	-
181	Arysta LifeScience Germany GmbH	Crop protection	Germany	@1	100%	-

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
182	Arysta LifeScience Magyarorszag Kft.	Crop protection	Hungary	@1	100%	-
183	Arysta LifeScience Polska Sp. z.o.o	Crop protection	Poland	@1	100%	-
184	Betel Reunion S.A.	Crop protection	Reunion(Fr)	@1	66%	-
185	Arysta LifeScience Vostok Ltd.	Crop protection	Russia	@1	100%	-
186	Arysta LifeScience Slovakia S.R.O.	Crop protection	Slovakia	@1	100%	-
187	Arysta LifeScience Ukraine LLC	Crop protection	Ukraine	@1	100%	-
188	Arysta LifeScience Global Limited	Crop protection	U.K.	@1	100%	-
189	Arysta LifeScience Argentina S.A.	Crop protection	Argentina	@1	100%	-
190	Arysta LifeScience Colombia S.A.S	Crop protection	Colombia	@1	100%	-
191	Arysta LifeScience CentroAmerica, S.A.	Crop protection	Guatemala	@1	100%	-
192	Arysta LifeScience Mexico Holding S.A.de C.V	Crop protection	Mexico	@1	100%	-
193	Bioenzymas S.A. de C.V.	Crop protection	Mexico	@1	100%	-
194	Desarrollos Inmobiliarios Alianza de Coahuila, S.A. de C.V.	Crop protection	Mexico	@1	100%	-
195	Omega Agroindustrial, S.A. de C.V.	Crop protection	Mexico	@1	100%	-
196	Agroquimicos y Semillas, S.A. de C.V.	Crop protection	Mexico	@1	100%	-
197	Servicios Agricolas Mundiales SA de CV	Crop protection	Mexico	@1	100%	-
198	Tecno Extractos Vegetales, S.A. de C.V.	Crop protection	Mexico	@1	100%	-
199	Tesaurus Mexico S.A. de C.V.	Crop protection	Mexico	@1	100%	-
200	Arysta LifeScience Paraguay S.R.L.	Crop protection	Paraguay	@1	100%	-
201	Arysta LifeScience Peru S.A.C	Crop protection	Peru	@1	100%	-
202	Arysta LifeScience Costa Rica SA.	Crop protection	Costa Rica	@1	100%	-
203	Arysta LifeScience de Guatemala, S.A.	Crop protection	Guatemala	@1	100%	-
204	Arysta LifeScience S.R.L.	Crop protection	Bolivia	@1	67%	-
205	Myanmar Arysta LifeScience Co., Ltd.	Crop protection	Myanmar	@1	100%	-
206	Arysta LifeScience U.K. BRL Limited	Crop protection	U.K.	@1	100%	-
207	Etec Crop Solutions Limited	Crop protection	New Zealand	@1	100%	-
208	MacDermid Agricultural Solutions Australia Pty Ltd	Crop protection	Australia	@1	100%	-
209	Arvesta Corporation	Crop protection	USA	@1	100%	-
210	Arysta LifeScience Registrations Great Britain Ltd	Crop protection	U.K.	@1	100%	-
211	Agriphar SDN BHD	Crop protection	Malaysia	@1	100%	-
212	Agriphar de Costa Rica SA	Crop protection	Costa Rica	@1	100%	-
213	Agriphar de Colombia SAS	Crop protection	Colombia	@1	100%	-
214	Industrias Agriphar SA	Crop protection	Guatemala	@1	100%	-
215	Kempton Chemicals (Pty) Ltd	Crop protection	South Africa	@1	100%	-
216	Agripraza Ltda.	Crop protection	Portugal	@1	100%	-
217	Arysta LifeScience Corporation Republica Dominicana, SRL	Crop protection	Dominican Rpb	@1	100%	-
218	Grupo Bioquimico Mexicano Republica Dominicana SA	Crop protection	Dominican Rpb	@1	100%	-

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Nos.	Name of the subsidiaries	Principal activities	Country of incorporation	Ref	Holdings	
					2019	2018
219	Arysta LifeScience Ecuador S.A.	Crop protection	Ecuador	@1	100%	-
220	Arvesta Paraguay S.A.	Crop protection	Paraguay	@1	100%	-
221	Arysta Agroquimicos y Fertilzantes Uruguay SA	Crop protection	Uruguay	@1	100%	-
222	Arysta LifeScience U.K. USD-2 Limited	Crop protection	U.K.	@1	100%	-
223	Veto-Pharma SA	Animal Health	France	@1, #5	100%	-
224	Wyjolab S.A.	Animal Health	France	@1, #5	100%	-
225	MacDermid (Nanjing) Chemical Ltd.	Crop protection	China	@1, #1	0%	-

@ Subsidiary formed during the year
@ 1 Subsidiary acquired during the year
@ 2 Subsidiary formed during the previous year
'@3 Subsidiary acquired during during year
During the previous year UPL Limited, Mauritius merged in UPL Corporation Limited, Mauritius
1 Subsidiary divested during the year.
2 During the previous year, the Group through its step down wholly owned subsidiary, has increased its stake from 51% to 100%
3 During the previous year, the Group through its step down wholly owned subsidiary, has increased its stake from 50% to 100%
4 During the year, Blue Star B.V. was merged into United Phosphorus Holdings B.V.
5 During the year, Veto-Pharma SA and Wyjolab S.A. were merged into Arysta Animal Health SAS
6 Subsidiary divested during the previous year.

Associates

Sr. No.	Associate Companies		Country of incorporation		31.03.2019 % of Group Holding	31.03.2018 % of Group Holding
1	Polycoat Technologies 2010 Limited	##	Israel		20%	20%
2	Sinagro Produtos Agropecuários S.A.	$$$, #	Brazil		45%	49%
3	3SB Produtos Agricolas S . A	$$$, #	Brazil		45%	49%
4	Seara Comercial Agricola Ltda.		Brazil		**	**
5	Serra Bonita Sementes S.A.	$$	Brazil		33%	33%
6	Bioplanta Nutricao Vegetal, Industria e Comercio S.A.		Brazil		***	***
7	Agri Fokus (Pty) Ltd.	$	South Africa		25%	0%
8	Novon Retail Company (Pty) Ltd.	$	South Africa		25%	0%
9	Agronamic (Pty) Ltd.	$	South Africa		28%	0%
10	Novon Protecta (Pty) Ltd	$	South Africa		25%	0%
11	Silvix Forestry (Pty) Ltd.	$	South Africa		25%	0%
12	Nexus AG (Pty) Ltd	$	South Africa		25%	0%
13	Dalian Advanced Chemical Co.Ltd.	$	China		21%	0%
14	Société des Produits Industriels et Agricoles	$	Senegal		32%	0%
15	CGNS Limited	$	United Kingdom		25%	0%
16	Callitogo SA	$	Togo		35%	0%

$ Investment during the year
$$ Investment made during the previous year ended 2017-18
$$$ 5% stake divested during the year
** This is 51% step-down subsidiary of Sinagro Produtos Agropecuários S.A.
*** These are 33.33% Joint ventures of Sinagro Produtos Agropecuários S.A.
# Additional 9% stake acquired during the previous year
Divested during the year

Joint Venture

Sr. No.	Joint Venture Company		Country of incorporation		31.03.2019 % of Group Holding	31.03.2018 % of Group Holding
1	Hodogaya UPL Co. Limited		Japan		40%	40%
2	Longreach Plant Breeders Management Pty Limited		Australia		69%	69%
3	United Phosphorus (Bangladesh) Limited		Bangladesh		50%	50%

11. INVESTMENTS STATED AT FAIR VALUE THROUGH PROFIT AND LOSS

THE GROUP

	Carrying amounts	
	2019	2018
Unquoted & Quoted investments	**USD '000**	USD '000
Ishihara Sangyo Kaisha Ltd. (Quoted)	**11,916**	14,379
Agrofresh	**6,337**	-
IBI Debentures (Unquoted)	**-**	64,895
Others (Unquoted)	**4,357**	4
	22,610	79,278

12. INVESTMENT IN ASSOCIATES

THE GROUP

Name of associates	**Country of incorporation**	**% holding**	**2019 USD '000**	2018 USD '000
Sinagro Produtos Agropecuários S.A.	Brasil	40	**-**	-
3SB Produtos Agricolas S.A	Brasil	40	**12,926**	15,704
Seara Bonita	Brasil	33.33	**27,501**	31,864
Dalian Advanced Chemical Co.Ltd.			**84**	-
Agronamic (Pty) Ltd.			**708**	-
Novon Protecta (Pty) Ltd			**1,066**	-
Novon Retail Company (Pty) Ltd.			**1,036**	
Silvix Forestry (Pty) Ltd.			**39**	-
Société des Produits Industriels et Agricoles			**607**	
Agri Fokus (Pty) Ltd.			**517**	
Nexus AG (Pty) Ltd			**1,418**	-
			45,902	47,568

13. INVESTMENT IN JOINT VENTURE

THE GROUP	**2019 USD '000**	2018 USD '000
Longreach Plant Breeders Management Pty Ltd,Australia	**7,226**	4,733
United Phosphorous (Bangladesh) Limited	**7**	7
Hodogaya UPL Co. Limited(Note (a))	**3,348**	3,159
	10,581	7,899

(a) The Group has 40% ownership interest in Hodogaya UPL Co. Limited, a jointly controlled entity incorporated in Japan.

THE COMPANY	**2019 USD '000**	2018 USD '000
United Phosphorous (Bangladesh) Limited	**329**	329

The Company had acquired 50% of the share capital of United Phosphorous (Bangladesh) Limited, representing 1,627 of TK 1,000 each, from its sole shareholder for a total consideration of USD 329 thousand. The investment has been stated at cost.

14. LOAN AND ADVANCES

THE GROUP	2019 USD '000	2018 USD '000
Non-current assets (More than one year)		
Advance recoverable in cash and kind	3,774	4,469
Loans and advances to employees	-	5
Long term loans to related party	8,360	9,052
Long term MAT entitlement	40	867
Advance tax	24,527	2,959
Long term advances others	3,409	2,558
Sundry deposits	2,826	2,547
Others	19,093	-
Long term- Deposits with the Collectorate of Central Excise	120	196
	62,149	22,653
Current assets (Less than one year)		
Advance recoverable in cash and kind	149,136	49,739
Loans and advances to employees	1,829	705
Loan to related party	150,160	15,601
Sundry deposits	5,002	4,689
Payment of taxes	70,275	4,183
Interest receivable	195	4,766
	376,597	79,683

15. TRADE AND OTHER RECEIVABLES

	2019 USD '000	2018 USD '000 Restated
THE GROUP		
Non-current asset (More than one year)		
Debtors	491	225
Current assets (Less than one year)		
Debtors – Others	1,546,301	760,300
Receivables from holding company	33,395	19,513
	1,579,696	779,813

THE COMPANY	2019 USD '000	2018 USD '000
Non-current assets (More than one year)		
Amount receivable from group companies (Note 39)	2,674,082	191,764
	2,674,082	191,764

	2019 USD '000	2018 USD '000
Current assets (Less than one year)		
Trade debtors	2,604	3,998
Effect of Amalgamation -trade receivables (note 52)	-	18,167
Effect of Amalgamation -group receivables (notes 39 & 52)	-	7
Other receivables	3,591	1,599
Loans and advances	351,960	402,441
Trade debtors - group (Note 39)	310,808	281,375
	668,963	707,587

The average credit period on sales of goods on credit is 180 days. Interest and commission fees is charged on outstanding invoices. No other provision for doubtful trade receivables is required and the directors have assessed that the outstanding balances will be fully recoverable.

The director believes that the carrying amount of the trade and other receivables are approximate to their fair value. The ageing analysis of the trade receivables are as follows:

	Group		Company	
	2019 USD '000	2018 USD '000	2019 USD '000	2018 USD '000
Within 1 year trade receivables	1,579,696	779,813	245,043	281,382
More than 1 year trade receivables	491	225	-	-
	1,580,187	780,038	245,043	281,382

At the reporting date, none of the trade receivables was impaired.

Before accepting any new customer, management assesses the credit quality of the customer and defines the terms accordingly. In determining the recoverability of a trade receivable, management considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting year.

16. NON-CURRENT ASSETS HELD FOR SALE

Assets held for sale represents assets amounted to **USD 3,730** thousand (2018: USD 3,057 thousand) acquired from customers who have not been able to settle their debts in cash.

17. INVENTORIES

THE GROUP	**2019 USD '000**	2018 USD '000
Stores and Spares	**4,890**	4,687
Packing Materials	**9,675**	10,114
Finished Products	**663,510**	290,005
By - Products	**152**	137
Semi-finished products	**39,044**	34,205
Traded goods	**88,510**	58,654
Raw materials	**237,643**	63,190
Work in Progress	**14,957**	-
	1,058,381	460,992

THE COMPANY	**2019 USD '000**	2018 USD '000
Goods held at third party warehouse	**-**	-
Goods in transit	**1,627**	2,445
	1,627	2,445

18. CASH AND CASH EQUIVALENTS

THE GROUP	**2019 USD '000**	2018 USD '000
Cash at bank		
Current accounts	**292,752**	238,001
Fixed deposits	**87,127**	178,519
Cash in hand	**91**	80
	379,970	416,600

THE COMPANY	**2019 USD '000**	2018 USD '000
Cash at bank		
Fixed deposit	**-**	83,868
Current account	**9,083**	714
Petty cash	**0.04**	0.12
	9,083	84,582

19 (a). STATED CAPITAL

THE COMPANY	2019	2018
	USD '000	USD '000
Ordinary shares of USD 100 each		
At 1 April	13,600	13,600
Additions	4,502	-
At 31 March	18,102	13,600
Number of ordinary shares	181,022	136,000

The stated capital of the Company comprises of 181,022 (2018: 136,000) ordinary shares with a par value of USD 100 per share. These shares are entitled to voting rights and to dividends. The shareholder has various rights under the Company's Constitution, including the rights to income distributions subject to solvency test and other legal requirements. They are also required to attend and vote at meeting of shareholders.

19 (b). SHARE PREMIUM

	THE GROUP		THE COMPANY	
	2019	2018	2019	2018
	USD '000	USD '000	USD '000	USD '000
At 1 April	-	-	-	-
TPG and ADIA Contribution	1,195,980	-	1,195,980	-
UPL Limited, India Contribution	143,518	-	143,518	-
Share issue expenses	(24,828)	-	(24,828)	-
At 31 March	1,314,670	-	1,314,670	-

During the year, the Company issued 40,198 Ordinary shares of USD 100 each at a premium of USD 29,752.23 per share and 4,824 Ordinary shares of USD 100 each at a premium of USD 29,750.75 per share. The share issue expenses represent cost incurred in relation to additional investments made by TPG and ADIA.

20. TRANSLATION RESERVE

	THE GROUP		THE COMPANY	
	2019	2018	2019	2018
	USD '000	USD '000	USD '000	USD '000
At 1 April	(112,254)	(111,727)	(8,040)	(31,510)
Movements during the year	(105,931)	(527)	1,292	23,470
At 31 March (Note 5(d))	(218,185)	(112,254)	(6,748)	(8,040)

21. BORROWINGS

THE GROUP	2019	2018
	USD '000	USD '000
Non-current liabilities (More than one year)		
Loan from Banks:		
Secured	212	462
Unsecured	2,948,956	379
Loan from Others - Unsecured	2,525	2,945
Long term obligation - Capital lease	4,387	-
Loans and advances from holding company	-	128,633
	2,956,080	132,419
Current liabilities (Less than one year)		
Loan from Banks:		
Secured	69,558	1,946
Unsecured:		
- Working capital loan/ PCFC	144,569	33,397
- Acceptances	-	1
Current maturities of Capital Lease	509	-
Current maturities of long term debts	182	15,663
Interest accrued but not due on loans	26,028	8,897
	240,846	59,904

21. BORROWINGS (CONTINUED)

Below notes are for more than one year and current maturity of those borrowings.

(a) Foreign currency loan from banks (Unsecured)

(i) Unsecured loan from banks bears interest rates 3.4% and Prime + 2% amounting to **USD 146** thousand (previous year: USD 607 thousand) repayable within 1-5 years.

(ii) Unsecured loan from banks bears interest rates 3 month LIBOR + 1.60% amounting to **USD 2,948,810** thousand (previous year: USD nil thousand) repayable on 29 January 2029.

(b) Foreign currency loan from banks (secured)

Foreign currency loan from banks includes **USD 394** thousand (previous year: USD 856 thousand) secured by way of collateral of accounts receivable, fixed assets and inventories carrying interest rate of 6.15% - 13.85% payable within 1-3 years.

(c) From others (Unsecured)

Unsecured term loan from others amounting to **USD 2,525** thousand (Previous year: USD 2,983 thousand) carrying interest rate of 2 %.

(d) Bond

(i) Bonds are listed on Singapore Stock exchange at amortised cost amounted to **USD 496,966** thousand (2018: USD 495,520 thousand) and are recorded at amortised cost bearing an interest rate of 3.25 %, repayable on 13th October 2021.

(ii) Another bonds are listed on Singapore Stock exchange at amortised cost amounted to **USD 295,764** thousand (2018: USD 297,193 thousand) and are recorded at amortised cost bearing an interest rate of 4.50 %, repayable on 8th March 2028.

THE COMPANY

	2019	2018
Non-current liabilities (More than one year)	**USD '000**	USD '000
Loan from group companies (Note 21 (a) below)	**259,952**	344,322
Loan from Banks(Note 21 (b) below)	**2,948,810**	-
	3,208,762	344,322
Current liabilities (Less than one year)		
Loan from group companies (Note 39(ii) and 21(a) below)	**52,332**	15,000
Loan from banks (Note 21 (b) below)	**25,000**	-
	77,332	15,000

(a) The loan bears interest at the rate between LIBOR + 2% to LIBOR + 2.5%, is unsecured and is repayable as follows:

	2019	2018
	USD '000	USD '000
Within one year	**52,332**	15,000
After one year and before five years	**259,952**	344,322
	312,284	359,322

(b) The loan from banks were unsecured, had interest at the rate of LIBOR +1.5% and is repayable as follows:

	2019	2018
	USD '000	USD '000
Within one year	**25,000**	-
After one year and before five years	**2,948,810**	-
	2,973,810	-

(c) The carrying amounts of borrowings approximate their fair values.

22. PROVISIONS

	2019		2018	
	Long-term provisions USD '000	**Short-term provisions USD '000**	Long-term provisions USD '000	Short-term provisions USD '000
Provision for post-employment benefits	**20,094**	-	7,614	-
Jubilee provision	**217**	-	210	-
Environmental provision (Note (a) and (b))	**2,102**	**5,023**	1,982	-
Labour claim (Note (a) and (d))	**524**	-	917	-
Contingent liability provision on PPA	-	**58,000**	-	-
Provision for taxes	-	**86,251**	-	8,673
Leave encashment	-	**21,623**	-	2,376
Provision for contingencies (Note (a) and (e))	-	**2,180**	-	874
	22,937	**173,077**	10,723	11,923

The Company has a tax liability of **USD 644** thousand (2018: USD 686 thousand) – Refer to note 35

(a)

	Environmental provision	**Labour / Employee Claim provision**	**Reorganisation provision**	**Provision for contingencies**
	31-Mar-19 USD '000	**31-Mar-19 USD '000**	**31-Mar-19 USD '000**	**31-Mar-19 USD '000**
Opening balances	**1,982**	**917**	-	**874**
Provisions:				
- Created	**254**	**103**	-	**1,360**
- Utilised	-	**(372)**	-	-
Foreign currency translation effect	**(134)**	**(124)**	-	**(54)**
Closing balances	**2,102**	**524**	-	**2,180**

(b) 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 which would depend on the cessation of the respective events.

22. PROVISIONS (CONTINUED)

(c) 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 cessations of the respective events.

(d) 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 cessations of the respective events.

(e) 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.

23. OTHER LONG TERM LIABILITIES

THE GROUP	**2019** **USD '000**	2018 USD '000
Deferred payment liability	**11,406**	14,384
Other long term liabilities	**7,697**	-
	19,103	14,384

24. TRADE AND OTHER PAYABLES

	2019	2018
THE GROUP	**USD '000**	USD '000
Current		
Sundry creditors for goods	**614,966**	329,859
Sundry creditors for expenses	**344,931**	215,360
Trade payables to holding company	**236,215**	80,359
	1,196,112	625,578

24. TRADE AND OTHER PAYABLES (CONTINUED)

THE COMPANY	2019	2018
	USD '000	USD '000
Non-current		
Other payables	3,659	4,617
Current		
Amount payable to group companies (Note 39(iii))	77,895	86,723
Amount payable to group associate (Notes 39(iii) & 52)	-	29,931
Other payables and accruals	74,447	47,516
	152,342	164,170

The carrying amounts of trade and other payables approximate their fair value, the non-current part is repayable after 1 year and the current part is repayable within 3 months and 1 year.

Other payables includes refundable security-cum performance deposit amount aggregating to USD 3,987 thousand (2018: USD 8,778 thousand) received by the Company from Pengo SA. on behalf of Mr Carlos Alberto De Paiva Pellicer ("Carlos"). The deposit has been made in relation to the Share Purchase Agreement entered between Carlos and United Phosphorus Indústria E Comércio de Produtos Químicos Ltda for the disposal of the entire shares held by Carlos in UPL Do Brazil Industria E Comercio De Insumos Agropecuarios SA and the refund of which is subject to fulfilment of conditions in the Share Purchase Agreement.

25. OTHER PAYABLES

THE GROUP	2019	2018
	USD '000	USD '000
Other payables	116,688	61,344
Advances against orders	36,083	22,115
Trade deposits	524	1,384
Current maturities of deferred payment liability	67,819	4,162
	221,114	89,005

26. REVENUE FROM OPERATIONS

THE GROUP	2019	2018
	USD '000	USD '000
Sale of products	2,559,799	2,105,364
Sale of products to holding company	27,208	32,988
Cash discount	(6,454)	(12,235)
NPV on sales	(1,184)	
Other income from operations (Note 26 (a))	23,453	13,787
	2,602,822	2,139,904

(a) OTHER INCOME FROM OPERATIONS	2019	2018
	USD '000	USD '000
Job work/service income	2,099	722
Discount received	237	129
Commission received - Group	9,382	4,819
Other operating income	7,336	6,509
Excess provision in respect of earlier year written back	3,456	1,355
Export incentives	52	47
Royalty income	891	206
	23,453	13,787

26. REVENUE FROM OPERATIONS (CONTINUED)

THE COMPANY	2019 USD '000	2018 USD '000
Sale of products	**244,633**	366,145

27. COST OF SALES

	THE GROUP		THE COMPANY	
	2019 USD '000	2018 USD '000	**2019 USD '000**	2018 USD '000
Cost of goods sold	**1,522,732**	1,194,975	**205,859**	303,779

28. DIRECT COSTS

THE GROUP	2019 USD '000	2018 USD '000
Power and fuel	**8,542**	7,770
Processing charges	**100,550**	80,983
Rebate, commission and discount	**14,543**	29,723
Effluent disposal charges	**5,006**	4,440
Water charges	**523**	527
Non Recoverable taxes-variable cost	**2,274**	2,324
Transport charges	**61,099**	58,380
Royalty charges	**6,913**	2,913
	199,450	187,060

29. OTHER INCOME

THE GROUP	2019 USD '000	2018 USD '000
Income from long term investments	**17**	15
Interest on loan deposits	**15,107**	14,273
Rent	**39**	14
Loss on sale of investments	**(28)**	-
Miscellaneous receipts	**1,049**	336
Profit on sale of fixed assets	**382**	286
NPV on Trade receivables	**234**	-
Sundry credit balances written (off) / back	**1,589**	(417)
	18,389	14,507

29. OTHER INCOME (CONTINUED)

THE COMPANY	2019	2018
	USD '000	USD '000
Management fees	-	-
Interest income	42,996	20,258
Dividend income	30,000	-
Income received from group company	42,370	5,257
Exchange difference (net)	4,958	14,917
	120,324	40,432

30. ADMINISTRATIVE EXPENSES

THE GROUP	2019	2018
	USD '000	USD '000
Rent	15,569	11,865
Travelling and conveyance	33,074	26,441
Subscription/ Membership	2,847	2,592
Service costs	2,515	1,112
Entertainment	1,981	1,558
Security services	1,357	1,485
Training and seminar	1,914	1,250
Office supplies	1,046	620
Sundry expenses	14,097	7,278
Registration charges	9,638	9,259
Labour charges	4,782	3,190
	88,820	66,650

THE COMPANY	2019	2018
	USD '000	USD '000
Auditors' remuneration	83	87
Travelling expenses	966	1,038
Other expenses	352	182
Registration fees	-	1
Rent	185	313
Salaries	729	1,127
Management fees	4,000	3,500
Postage	21	19
Printing and stationary	2	1
Other fees and charges	1,444	1,768
	7,782	8,036

31 (a) OTHER EXPENSES

THE GROUP	2019 USD '000	2018 USD '000
Employee benefits expense	**216,491**	185,655
Stores and spares consumed	**6,710**	4,190
Repairs to building	**2,248**	1,245
Repairs to machinery	**7,854**	7,629
General repairs	**11,731**	8,775
Rates and taxes	**6,391**	6,328
General insurance charges	**7,174**	6,320
Credit insurance	**1,905**	2,297
Advertisement and sales promotion	**34,216**	21,813
Legal and professional fees	**31,951**	28,509
Charity and donations	**513**	391
Bad debts written off	**1,354**	312
(Reversal) / provision for doubtful debts and advances	**(10,923)**	932
Assets written off	**620**	136
Warehousing costs	**14,669**	17,449
Communication costs	**4,451**	4,368
Research and development expenses	**4,117**	2,214
	341,472	298,563

THE COMPANY	2019 USD '000	2018 USD '000
Commission to group companies	**-**	3,473
Sales promotion expenses	**12**	6
Commission expenses	**22**	2,600
Rebate and Discount	**20**	
	54	6,079

31 (b) Exchange difference

	THE GROUP		THE COMPANY	
	2019 USD '000	2018 USD '000	**2019 USD '000**	2018 USD '000
Exchange difference (net) *	**34,890**	(156)	**-**	-

* Current year exchange difference (net) mainly includes loss due to devaluation of currencies in Latin

32. RESTRUCTURING COST

THE GROUP

The amount of **USD 2 thousand** (2018: USD 4,535 thousand) which is of an exceptional nature, represents restructuring cost related to the Company's business in the Latin America.

THE COMPANY

The restructuring cost **USD nil** (2018: USD 906 thousand) represent expenses incurred in relation to the restructuring of Advanta group companies in the latin America regions and is of exceptional nature

33. FINANCE COSTS

THE GROUP

	2019	2018
	USD '000	USD '000
<u>**Interest:**</u>		
On term loans	**58,297**	32,433
On cash credit and working capital demand loan accounts	**22,750**	15,831
On fixed deposit and fixed loan	**77**	48
Other loan interest	**11,016**	6,124
	92,140	54,436
Exchange difference	**29,600**	26,156
Other financial charges	**7,118**	7,036
Interest cost from holding company	**5,808**	6,201
NPV-Interest and Finance	**7,659**	-
	50,185	39,393
	142,325	93,829

THE COMPANY	**2019**	2018
	USD '000	USD '000
Bonds interest, transaction cost, bank interest, amortisation cost	**57,310**	24,118
Interest expense on amount owed to group	**6,917**	5,439
Financial services charges and bank charges	**1,044**	608
Net foreign exchange transaction loss	**28,522**	25,680
Derivative transaction	**(13,772)**	(179)
	80,021	55,666

The Company has entered into SWAP agreements with banks to hedge against fluctuations in interest rates.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES

THE GROUP

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates

(a) The Group has a 45 % (2018: 49 %) interest in 3SB Produtos Agropecuarios S.A. , which is involved in business of planting,cultivation and commericialization of agriculture products. 3SB Produtos Agropecuarios S.A. is a private entity that is not listed on any public exchange. The Group's interest in 3SB Produtos Agropecuarios S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of 3SB Produtos Agropecuarios 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 Agropecuarios S.A.:

Summaried balance sheet

	2019 **USD '000**	2018 USD '000
Current assets	**33,915**	37,473
Non-current assets	**32,245**	43,054
Current liabilities	**(48,172)**	(57,543)
Non-current liabilities	**(9,854)**	(13,955)
Equity	**8,134**	9,029
Proportion of the Group's ownership (%)	**45%**	49%
Carrying amount of the investment excluding Goodwill	**3,660**	4,424
Goodwill	**9,610**	11,266
Additional investment during Jan-March'18	**-**	14
Impact of dilution of equity holding	**(344)**	-
Carrying amount of the investment	**12,926**	15,704

Summaried statement of profit and loss

	2019 **USD '000**	2018 USD '000
Revenue	**44,323**	63,231
Loss for the year	**(338)**	(1,106)
Other Comprehensive Income(OCI)	**-**	-
Total comprehensive income for the year	**(338)**	(1,106)
Group's share of loss for the year	**(152)**	(542)

The associate had no contingent liabilities or capital commitments as at 31 March 2019 and 31 March 2018.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(b) The Group has a 45% (2018: 49%) interest in Sinagro Produtos Agropecuarios S.A., which is involved in the business of retail sales and commercial representation of crop protection chemical and seeds. Sinagro Produtos Agropecuarios S.A. is a private entity that is not listed on any public exchange. The Group's interest in Sinagro Produtos Agropecuarios S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Sinagro Produtos Agropecuarios 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 Sinagro Produtos Agropecuarios S.A.:

Summaried balance sheet

	2019	2018
	USD '000	USD '000
Current assets	**152,122**	148,170
Non-current assets	**48,497**	58,652
Current liabilities	**(207,976)**	(207,896)
Non-current liabilities	**(9,309)**	(23,463)
Non-controlling interest	**(2,048)**	(1,825)
Equity	**(18,714)**	(26,362)
Proportion of the Group's ownership (%)	**45%**	49%
Carrying amount of the investment excluding Goodwill	**(8,421)**	(12,917)
Goodwill	**6,314**	7,402
Additional investment during relevant period	**2,107**	5,515
Carrying amount of the investment	**(0)**	(0)

Summaried statement of profit and loss

	2019	2018
	USD '000	USD '000
Revenue	**257,337**	311,751
Loss for the year	**(2,936)**	(32,581)
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**(2,936)**	(32,581)
Group's share of loss for the year	**(1,321)**	(15,965)
Group's share of loss for the year, restricting loss from associate	**-**	-

The associate has contingent liabilities amounted to USD 1,582 thousand (2018: 2,170 thousand) towards possible losses as assessed by legal advisors.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(c) The group has a 28.4% interest in Agronamic Proprietary Limited, which is involved in the buying and selling of agricultural chemicals. Agronamic Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Agronamic Proprietary Limited is accounted for using the equity method in the consolidated financial statements.The following table summarizes the financial information of Agronamic Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Agronamic Proprietary Limited:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	**7,880**	-
Non-current assets	**25**	-
Current liabilities	**(7,513)**	-
Non-current liabilities	-	-
Non-controlling interest	-	-
Equity	392	-
Proportion of the Group's ownership (%)	**28.40%**	0
Carrying amount of the investment excluding Goodwill	**111**	-
Goodwill	**596**	-
Additional investment during relevant period	-	-
Carrying amount of the investment	707	-

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	**5,156**	-
Profit for the year	**110**	-
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	110	-
Group's share of profit for the year	30	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(d) The group has a 25.1% interest in Silvix Forestry Proprietary Limited, which is involved in the distribution of chemicals. Silvix Forestry Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Silvix Forestry Proprietary Limited is accounted for using the equity method in the consolidated financial statements.The following table summarizes the financial information of Silvix Forestry Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Silvix Forestry Proprietary Limited:

Summaried balance sheet

	2019	2018
	USD '000	USD '000
Current assets	**1,374**	-
Non-current assets	-	-
Current liabilities	**(1,223)**	-
Non-current liabilities	-	-
Non-controlling interest	-	-
Equity	**151**	-
Proportion of the Group's ownership (%)	**25.10%**	-
Carrying amount of the investment excluding Goodwill	**38**	-
Goodwill	**1**	-
Additional investment during relevant period	-	-
Carrying amount of the investment	**39**	-

Summaried statement of profit and loss

	2019	2018
	USD '000	USD '000
Revenue	**738**	-
Profit for the year	**13**	-
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	**13**	-
Group's share of profit for the year	**3**	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(e)The group has a 25.1% interest in Agrifokus Proprietary Limited, which is involved in the trading chemicals, insecticides and herbicides. Agrifokus Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Agrifokus Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Agrifokus Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Agrifokus Proprietary Limited:

Summaried balance sheet

	2019	2018
	USD '000	USD '000
Current assets	**13,413**	-
Non-current assets	**360**	-
Current liabilities	**(8,916)**	-
Non-current liabilities	**-**	-
Non-controlling interest	**-**	-
Equity	**4,857**	-
Proportion of the Group's ownership (%)	**25.1%**	0
Carrying amount of the investment excluding Goodwill	**1,214**	-
Goodwill	**(697)**	-
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**517**	-

Summaried statement of profit and loss

	2019	2018
	USD '000	USD '000
Revenue	**1,238**	-
Profit for the year	**113**	-
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**113**	-
Group's share of profit for the year	**28**	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(f) The group has a 25.1% interest in Novon Retail Company Proprietary Limited, which is involved in the selling of fertilizers and chemicals. Novon Retail Company Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Novon Retail Company Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Novon Retail Company Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Novon Retail Company Proprietary Limited:

Summaried balance sheet

	2019	2018
	USD '000	USD '000
Current assets	**8,911**	-
Non-current assets	**948**	-
Current liabilities	**(7,888)**	-
Non-current liabilities	**(83)**	-
Non-controlling interest	**-**	-
Equity	**1,888**	-
Proportion of the Group's ownership (%)	**25.10%**	-
Carrying amount of the investment excluding Goodwill	**474**	-
Goodwill	**563**	-
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**1,037**	-

Summaried statement of profit and loss

	2019	2018
	USD '000	USD '000
Revenue	**3,035**	-
Profit for the year	**255**	-
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**255**	-
Group's share of profit for the year	**64**	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(g)The group has a 25.1% interest in Novon Protecta Proprietary Limited, which is involved in the distribution of agricultural chemicals. Novon Protecta Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in Novon Protecta Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of Novon Protecta Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in Novon Protecta Proprietary Limited:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	23,072	-
Non-current assets	517	-
Current liabilities	(18,228)	-
Non-current liabilities	(96)	-
Non-controlling interest	-	-
Equity	5,265	-
Proportion of the Group's ownership (%)	25.10%	-
Carrying amount of the investment excluding Goodwill	1,316	-
Goodwill	(250)	-
Additional investment during relevant period	-	-
Carrying amount of the investment	1,066	-

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	5,005	-
Profit for the year	189	-
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	189	-
Group's share of profit for the year	47	-

Contingent liability consists of claims against the group not acknowledged as debt amounting to USD 289 thousand as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(h)The group has a 25.1% interest in NexusAG Proprietary Limited, which is involved in the wholesale of agricultural chemicals for crop protection and fertilizer products for plant nutrition. NexusAG Proprietary Limited is a private entity that is not listed on any public exchange. The groups interest in NexusAG Proprietary Limited is accounted for using the equity method in the consolidated financial statements. The following table summarizes the financial information of NexusAG Proprietary Limited as included in it's own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarized financial information of the Group's investment in NexusAG Proprietary Limited:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	**17,276**	-
Non-current assets	**2,560**	-
Current liabilities	**(15,861)**	-
Non-current liabilities	**(832)**	-
Non-controlling interest	**-**	-
Equity	**3,143**	-
Proportion of the Group's ownership (%)	**25.10%**	-
Carrying amount of the investment excluding Goodwill	**786**	-
Goodwill	**633**	-
Additional investment during relevant period	**-**	-
Carrying amount of the investment	**1,419**	-

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	**8,157**	-
Profit for the year	**71**	-
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**71**	-
Group's share of profit for the year	**18**	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(i) The group has a 21% interest in Dalian Advanced Chemical Co.Ltd.(DAC) which is involved in the formulation of Chloropicrin. DAC is private entity that is not listed on any public exchange. DAC is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of DAC as included in its own financials statements, adjusted for faire value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in DAC.:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	**68**	-
Non-current assets	**356**	-
Current liabilities	**(22)**	-
Non-current liabilities	-	-
Non-controlling interest	-	-
Equity	402	-
Proportion of the Group's ownership (%)	21%	-
Carrying amount of the investment excluding Goodwill	84	-
Goodwill	-	-
Additional investment during relevant period	-	-
Carrying amount of the investment	84	-

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	**9**	-
Loss for the year	**(21)**	-
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	(21)	-
Group's share of loss for the year	(4)	-

The associate had no contingent liabilities or capital commitments as at 31 March 2019.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

THE GROUP (CONTINUED)

Summarised financial information in respect of the Group's associate for the year is set out below:

(i) Investment in associates (Continued)

(j) During the year the Group has acquired 33.33% (2018: 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 Sinagro Produtos Agropecuarios 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:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	26,558	18,285
Non-current assets	81,273	105,258
Current liabilities	(13,005)	(16,910)
Non-current liabilities	(6,972)	(4,767)
Non-controlling interest	-	-
Equity	87,854	101,866
Proportion of the Group's ownership (%)	33.33%	33.33%
Carrying amount of the investment excluding Goodwill	29,282	33,952
Goodwill	(1,781)	(2,088)
Carrying amount of the Investment	27,501	31,864

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	29,804	27,025
Profit for the year	995	354
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	995	354
Group's share of profit for the year	332	118

The associate had no contingent liabilities or capital commitments as at 31 March 2019 and 31 March 2018.

(ii) Investment in Joint Ventures

(a) The Group has a 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:

Summaried balance sheet

	2019 USD '000	2018 USD '000
Current assets	20,613	20,846
Non-current assets	128	1
Current liabilities	(12,370)	(12,950)
Non-current liabilities	-	-
Non-controlling interest	-	-
Equity	8,371	7,897
Proportion of the Group's ownership (%)	40%	40%
Carrying amount of the investment	3,348	3,159

The group does not have Goodwill

Summaried statement of profit and loss

	2019 USD '000	2018 USD '000
Revenue	31,055	33,266
Profit for the year	818	487
Other Comprehensive Income (OCI)	-	-
Total comprehensive income for the year	818	487
Group's share of profit for the year	327	195

The group had no contingent liabilities or capital commitments relating to its interest in Hodogaya UPL Co. Limited as at 31 March 2019 and 31 March 2018. The joint venture had no other contingent liabilities or capital commitments as at 31 March 2019 and 31 March 2018.

34. SHARE OF PROFITS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(ii) Investment in Joint Ventures (Continued)

(b) The Group has a 69% (2018: 37%) 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:

Summaried balance sheet

	2019	2018
	USD '000	USD '000
Current assets	**10,916**	10,509
Non-current assets	**7,091**	6,990
Current liabilities	**(11,331)**	(12,297)
Non-current liabilities	**(18)**	(12)
Non-controlling interest	**-**	-
Equity	**6,658**	5,190
Proportion of the Group's ownership (%)	**69%**	37%
Carrying amount of the investment before goodwill	**4,613**	1,903
Goodwill	**2,613**	2,830
Carrying amount of the investment	**7,226**	4,733

Summaried statement of profit and loss

	2019	2018
	USD '000	USD '000
Revenue	**6,289**	7,495
Profit for the year	**1,869**	2,327
Other Comprehensive Income (OCI)	**-**	-
Total comprehensive income for the year	**1,869**	2,327
Group's share of profit for the year	**1,295**	853

The group had no contingent liabilities or capital commitments relating to its interest in Longreach Plant Breeders Management Pty Limited as at 31 March 2019 and 31 March 2018. The joint venture had no other contingent liabilities or capital commitments as at 31 March 2019 and 31 March 2018.

In the years ended 31 March 2019 and 31 March 2018, the group did not received dividends from any of its Joint Ventures.

The group also has interest in an immaterial Joint Venture United Phosphorous (Bangladesh) Limited.

35. TAXATION

THE GROUP

	2019	2018
	USD '000	USD '000
Current tax	**47,575**	17,006
Deferred tax	**(39,849)**	12,007
	7,726	29,013

THE COMPANY

Under current laws and regulations in Mauritius, the Company, being holder a Category 1 Global Business Licence issued by the Financial Services Commission under the Financial Services Act 2007, is liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax.

35. TAXATION (CONTINUED)

A reconciliation between the profit before taxation and taxable profit is as follows:

	2019 USD '000	2018 USD '000
Profit before taxation	56,796	30,267
Add underlying tax	-	-
	56,796	30,267
Tax at 15%	8,520	4,540
Annual allowance	(152)	(113)
Non-allowable expenses	3,428	741
Non-taxable income	(6,600)	-
	5,196	5,168
Less: tax credit	(4,164)	(4,134)
	1,032	1,034
Tax paid under Advance Payment System	(388)	(348)
Tax liability (refer to note 22)	644	686

The Company has applied the most appropriate tax credits by reference to each item of foreign source income separately.

	2019 USD '000	2018 USD '000
Prior year tax provision	-	247
Current year tax	1,032	1,034
Withholding tax	58	-
	1,090	1,281

DEFERRED TAX ASSETS

THE GROUP	2019 USD '000	2018 USD '000
At 1 April	72,194	85,054
Movement during the year	31,094	(12,860)
At 31 March	103,288	72,194

DEFERRED TAX LIABILITIES

THE GROUP	2019 USD '000	2018 USD '000
At 1 April	6,672	4,713
Movement during the year	413,055	1,959
At 31 March	419,727	6,672

36. FINANCIAL INSTRUMENTS

THE COMPANY

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2019 USD '000	**Financial liabilities 2019 USD '000**	Financial assets 2018 USD '000	Financial liabilities 2018 USD '000
Great Britain pound	**7,953**	**6,065**	11,479	113
Japanese yen	**401,425**	**-**	-	-
Australian dollar	**4,783**	**2,349**	5,364	622
Mauritian rupee	**3**	**3**	-	1
United States dollar	**1,424,135**	**4,224,628**	763,591	1,296,287
EURO	**1,517,854**	**1,780**	207,508	23,799
	3,356,153	**4,234,825**	987,942	1,320,822

Prepayments of USD 975 thousand (2018: USD 991 thousand) have not been included in financial assets and tax provision of USD 644 thousand (2018: tax provision USD 686 thousand) has not been included in the financial liabilities.

Currency risk

The Group is exposed to various currencies in different part of the world and manages the currency exposure through natural hedge or forward cover where possible.

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 illustrates the aged analysis of the Group's financial liabilities.

36. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

31-Mar-19	**Within one year USD '000**	**More than one year USD '000**	**Total USD '000**
THE GROUP			
Bonds	**-**	**792,730**	**792,730**
Borrowings	**240,846**	**2,956,080**	**3,196,926**
Other long term liabilities	**-**	**19,103**	**19,103**
Trade and other payables	**1,196,112**	**-**	**1,196,112**
Other payables	**221,114**	**-**	**221,114**
	1,658,072	**3,767,913**	**5,425,985**

	3 months to one year USD '000	**More than one year USD '000**	**Total USD '000**
THE COMPANY			
Bonds	**-**	**792,730**	**792,730**
Borrowings	**77,332**	**3,208,762**	**3,286,094**
Trade and other payables	**152,342**	**3,659**	**156,001**
	229,674	**4,005,151**	**4,234,825**

31-Mar-18	Within one year USD '000	More than one year USD '000	Total USD '000
THE GROUP			
Bonds	-	792,713	792,713
Borrowings	59,904	132,419	192,323
Other long term liabilities	-	14,384	14,384
Trade payables	625,578	-	625,578
Other payables	89,004	-	89,004
	774,486	939,516	1,714,002

31-Mar-18	Within one year USD '000	More than one year USD '000	Total USD '000
THE COMPANY			
Bonds	-	792,713	792,713
Borrowings	15,000	344,322	359,322
Trade and other payables	164,170	4,617	168,787
	179,170	1,141,652	1,320,822

36. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk

Financial assets that potentially expose the Group to credit risk consist principally of investments in cash balances. The extent of the Group's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the consolidated and separate statement of financial position.

According to the Group's investment policy, transactions are carefully allocated to counterparties reflecting the credit worthiness of the financial institution. The Board of directors also constantly monitors the outstanding investments.

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

The Group's policy is to maintain its cash balance with reputed banking institutions and to monitor the placement of cash balances on an ongoing basis. The Group also limits its credit risk by carrying out transactions with its related parties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

THE GROUP	**2019**	2018
	USD '000	USD '000
Trade and other receivables	**1,580,187**	780,038
Loans and advances	**438,746**	102,336
Cash and cash equivalents	**379,970**	416,600

THE COMPANY	**2019**	2018
	USD '000	USD '000
Trade and other receivables	**317,003**	305,146
Loans and advances	**3,026,042**	594,205
Cash and cash equivalents	**9,083**	84,582

Market risk

Market risk represents the potential loss that can be caused by a change in the market value of the financial instrument. The Group's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility.

36. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The Company's financial assets and liabilities are either interest bearing or non-interest-bearing. The Company is subject to limited exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates.

The following table details the Company's exposure to interest rate risks.

THE COMPANY	31-Mar-19		
	Interest bearing USD '000	Non-interest bearing USD '000	Total USD '000
Assets			
Convertible loan notes	5,000	-	5,000
Cash and cash equivalents	8,592	491	9,083
Loan receivables	3,026,042	-	3,026,042
Trade and other receivables	-	317,003	317,003
Total assets	3,039,634	317,494	3,357,128
Liabilities			
Bonds	792,730	-	792,730
Borrowings	3,026,142	259,952	3,286,094
Trade and other payables	-	156,001	156,001
Total liabilities	3,818,872	415,953	4,234,825

	31-Mar-18		
	Interest bearing USD '000	Non-interest bearing USD '000	Total USD '000
Assets			
Convertible loan notes	5,000	-	5,000
Cash and cash equivalents	83,869	713	84,582
Loan receivables	594,205	-	594,205
Trade and other receivables	-	305,146	305,146
Total assets	683,074	305,859	988,933
Liabilities			
Bonds	792,713	-	792,713
Borrowings	147,311	212,011	359,322
Trade and other payables	-	168,787	168,787
Total liabilities	940,024	380,798	1,320,822

Interest rate sensitivity

A 100 basis point is the sensitivity rate used internally by key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the net profit for the year ended 31 March 2019 would increase/decrease by **USD 14,357** thousand (2018: USD 1,399 thousand). This is mainly attributable to the Company exposure to interest rates on variable rate of interest rates on borrowings from the holding company.

36. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk (Continued)

Interest rate sensitivity (Continued)

THE COMPANY

			31-Mar-19 Interest rates	
Financial instrument		**Interest Charge**	**Low**	**High**
	USD '000		**-1.00%**	**1.00%**
Borrowings	**3,077,322**	**24,415**	**18,213**	**30,617**
Impact on net profit of the Company			**6,202**	**(6,202)**

			31-Mar-18 Interest rates	
Financial instrument		Interest Charge	Low	High
	USD '000		-1.00%	1.00%
Borrowings	147,311	5,415	6,814	4,016
Impact on net profit of the Company			(1,399)	1,399

THE GROUP

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:

	Increase/decrease in basis points	Effect on profit or loss	Effect on equity
		000	000
31-Mar-19			
USD	+50	(5,369)	(5,369)
	-50	5,369	5,369
Others	+100	(354)	(354)
	-100	354	354

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.

Cash flow hedge

Where a derivative financial instrument hedges the exposure to variability in the cash flows of recognised assets and liabilities or anticipated transactions or firm commitments, the effective part of any gain or loss on re-measurement of the hedging instrument is recognised directly in equity. The ineffective part of any gain or loss is recognised in profit or loss

When a hedged anticipated transaction or firm commitment results in the recognition of a non-financial asset or non-financial liability the cumulative gain or loss on the hedging instrument recognised in equity is removed from equity and included in the initial measurement of the asset or liability. Otherwise the cumulative gain or loss on the hedging instrument recognised in equity is transferred to other comprehensive income at the same time that the hedge transaction affects net profit or loss and included in the same line item as the hedged transaction. If a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, or if

36. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign Currency Exchange Risk and Interest rate risk

The Company 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 Company has entered into a Cross Currency Interest Rate Swap ("CCIRS"). Therefore, the Company 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.

How the entity's hedging activities may affect the amount, timing and uncertainty of its future cash flows;

The summary of quantitative data about the Company'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	31-Mar-19		
			Average rate	Average	Notional Value
Foreign exchange contracts				Interest rate	Thousands
Cross currency interest rate swap		EUR	1.129	1.47%	1,328,872
Cross currency interest rate swap		JPY	110.750	1.13%	44,300,000

The effect that hedge accounting has had on the entity's balance sheet, statement of profit and loss and statement of changes in equity

The impact of hedging instruments designated in hedging relationships on the statement of financial position of the Company is, as follows:

Particulars	Currency	31-Mar-19			
		Nominal amount	Carrying amount	Change in fair value of hedging instrument*	Change in fair value of hedging item*
Assets					
Foreign exchange contracts					
- CCIRS	EUR'000	995,588	2,399	2,439	(2,439)
	JPY '000	44,300,000	345	397	(397)
Liabilities					
Foreign exchange contracts					
- CCIRS	EUR'000	333,284	(563)	(532)	532

* used as the basis for hedge ineffectiveness

Cash flow hedges		Hedging gain or loss recognised in OCI	Line item in statement of profit or loss	Amount reclassified from OCI to Profit or loss	Line item in statement of profit or loss
		USD '000		USD '000	
Foreign currency exchange risk and Interest rate risk					
- CCIRS		2,304	Forex gain/(loss)	(7,623)	Forex gain/(loss)
			Interest on borrowing	(6,213)	Interest on borrowing

Reconciliation of reserves
Cash flow hedge reserves

Particulars		Amount
		USD'000
Opening balance		-
Hedging gain or loss		2,304
Amount reclassified to P&L because the hedged item affected P&L		(13,835)
Closing balance		**(11,531)**

37. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to its shareholders, return capital to its shareholder, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including current and non-current borrowings) less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

The gearing as at 31 March 2019 and 31 March 2018 were as follows:

THE GROUP

	2019 USD '000	2018 USD '000
Bonds	**792,730**	792,713
Borrowings	**3,196,926**	192,323
Less: cash and cash equivalents	**(379,970)**	(416,600)
Net debt	**3,609,686**	568,436
Total equity	**2,032,679**	743,080
Gearing ratio	**1.78**	0.76

THE COMPANY

	2019 USD '000	2018 USD '000
Bonds	**792,730**	792,713
Borrowings	**3,286,094**	359,322
Less: cash and cash equivalents	**(9,083)**	(84,582)
Net debt	**4,069,741**	1,067,453
Total equity	**1,652,245**	347,606
Gearing ratio	**2.46**	3.07