

Edelweiss Tarim Urunleri Anonim Sirketi

Financial Statements

together with the Auditors' Report

for the year ended 31 March 2016

Edelweiss Tarim Urunleri Anonim Sirketi

**Financial statements together with Auditor's Report
for the year ended 31st March 2016**

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Auditors' Report

Balance sheet

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Independent Auditors' Report

To the Directors of
Edelweiss Tarim Urunleri Anonim Sirketi

Report on the Financial Statements

We have audited the accompanying financial statements of **Edelweiss Tarim Urunleri Anonim Sirketi** ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

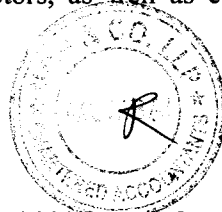
The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing, which requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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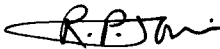
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

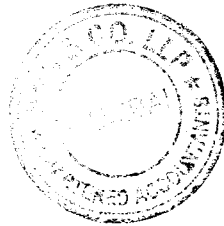
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the period ended on that date.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W



R.P.Soni
Partner
Membership No. 104796
Place: Mumbai
Date: 12 May 2016



Edelweiss Tarim Urunleri Anonim Sirketi

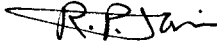
Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2016
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	2.1	4,206,656
Reserves and surplus	2.2	<u>(3,386,560)</u>
		820,096
Current liabilities		
Trade payables	2.3	<u>3,323,846</u>
TOTAL		<u><u>4,143,942</u></u>
ASSETS		
Current assets		
Cash and cash equivalents	2.4	4,135,424
Short term loans and advances	2.5	<u>8,518</u>
		4,143,942
TOTAL		<u><u>4,143,942</u></u>
Significant accounting policies and notes to the financial statements	1 & 2	

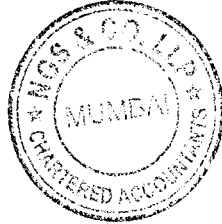
As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No.: 119850W

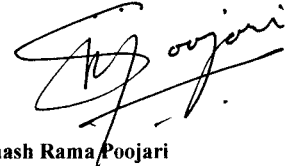


R. P. Soni
Partner
Membership No.: 104796

Mumbai
12 May 2016



For and on behalf of the Board of Director



Subhash Rama Poojari
Director

12 May 2016

Edelweiss Tarim Urunleri Anonim Sirketi

Statement of Profit and Loss

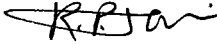
(Currency : Indian rupees)

	Note	For the period from 27 January 2016 to 31 March 2016
Other income	2.6	191,196
Total revenue		<u>191,196</u>
Expenses		
Other expenses	2.7	3,577,756
Total expenses		<u>3,577,756</u>
Loss before tax		(3,386,560)
Tax expense		-
Loss for the period		<u><u>(3,386,560)</u></u>
Earnings per ordinary share (Face value of TRY 1 each)		
Basic and diluted	2.10	(18.06)

Significant accounting policies and notes to the financial statements

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No.: 119850W

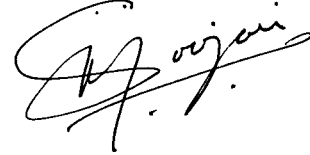


R. P. Soni
Partner
Membership No.: 104796



Mumbai
12 May 2016

For and on behalf of the Board of Directors



Subhash Rama Poojari
Director

12 May 2016

Edelweiss Tarim Urunleri Anonim Sirketi

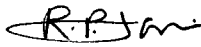
Cash Flow Statement

(Currency : Indian rupees)

Particulars	For the period from 27 January 2016 to 31 March 2016
A Cash flow from operating activities	
Loss before tax	(3,386,560)
Operating cash flow before working capital changes	(3,386,560)
Add/(less): Adjustments for working capital changes	
Increase in loans and advances	(8,518)
Increase in liabilities and provisions	3,323,846
Net cash used in operating activities - A	(71,232)
B Cash flow from investing activities - B	-
C Cash flow from financing activities	
Proceeds from issue of share capital	4,206,656
Net cash generated from financing activities - C	4,206,656
Net increase in cash and cash equivalents (A+B+C)	4,135,424
Cash and cash equivalents as at the beginning of the period	-
Cash and cash equivalents as at the end of the period (refer note below)	4,135,424
Note:	
1 Cash and cash equivalents include the following: (refer note 2.4)	
Balances with banks:	
In current accounts	4,135,424

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No.: 119850W

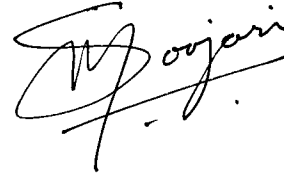


R. P. Soni
Partner
Membership No.: 104796



Mumbai
12 May 2016

For and on behalf of the Board of Directors



Subhash Rama Poojari
Director

12 May 2016

Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements

for the period ended 31 March 2016

(Currency: Indian rupees)

1. Significant accounting policies

1.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), (hereinafter referred to as ‘the Act’) and the Schedule III to the Act. The financial statements are presented in Indian Rupees.

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities on date of the financial statements and reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management’s evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the company’s normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realized within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is expected to be settled in the company’s normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.



Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

for the period ended 31 March 2016

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.4 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.5 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share” as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is computed by dividing the net profit after tax attributable to the ordinary shareholders for the year by the weighted average number of ordinary shares outstanding during the year.

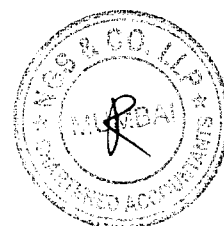
Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the ordinary shareholders for the year by the weighted average number of ordinary shares considered for deriving basic earnings per share and weighted average number of ordinary shares that could have been issued upon conversion of all potential ordinary shares.

1.6 Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

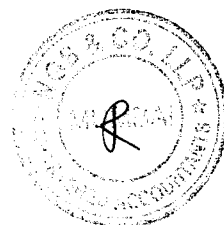


Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2016	
2.1 Share capital		
(a) Authorised		
750,000 Ordinary shares of TRY 1 each		16,826,624
		<u>16,826,624</u>
(b) Issued, subscribed and partly paid up:		
750,000 Ordinary shares of TRY 1 each, partly paid up to TRY 0.25 each		4,206,656
		<u>4,206,656</u>
(c) Movement of share capital	31 March 2016	
	Number of shares	Amount
Outstanding at the beginning of the period	-	-
Issued during the period (partly paid up to TRY 0.25 each)	750,000	4,206,656
Outstanding at the end of the period	750,000	4,206,656
(d) Shares held by holding / ultimate holding company and / or their subsidiaries / associates:	31 March 2016	
	Number of shares	Percentage Shareholding
Ordinary shares (partly paid up to TRY 0.25 each)		
EFSL Comtrade Limited, the holding company	750,000	100%
(e) Details of shareholders holding more than 5% shares in the Company:	31 March 2016	
	Number of shares	Percentage Shareholding
Ordinary shares (partly paid up to TRY 0.25 each)		
EFSL Comtrade Limited, the holding company	750,000	100%
(f) Terms/rights attached to ordinary shares		
The Company has only one class of shares referred to as ordinary shares having a par value of TRY 1 each. Each holder of ordinary shares is entitled to one vote per share held.		
In the event of liquidation of the Company the holders of ordinary shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.		
The distribution will be in proportion to the number of ordinary shares held by the shareholders.		
2.2 Reserves and surplus		
Deficit in the statement of profit and loss		
Opening balance		-
Add: Loss for the period		(3,386,560)
Closing balance		<u>(3,386,560)</u>
		<u>(3,386,560)</u>
2.3 Trade payables		
Trade payables		3,323,846
(includes sundry creditors and provision for expenses)		<u>3,323,846</u>



Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

(Currency : Indian rupees)

		As at 31 March 2016
2.4	Cash and cash equivalents	
	Balances with banks - in current accounts	4,135,424
		<u>4,135,424</u>
2.5	Short-term loans and advances (Unsecured, considered good)	
	Vendor advances	8,518
		<u>8,518</u>

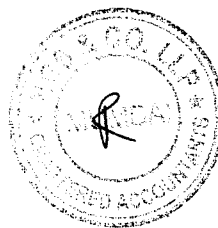


Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the period from 27 January 2016 to 31 March 2016
2.6 Other income	
Gain due to foreign exchange movement	191,196
	<u>191,196</u>
2.7 Other expenses	
Legal and professional fees	3,577,756
	<u>3,577,756</u>



Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

for the period ended 31 March 2016

(Currency: Indian rupees)

2.8 Segment reporting:

The Company is yet to commence business; hence no disclosures are required under Accounting Standard 17 on Segment Reporting.

2.9 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014:

Sr. No	Particulars	Relationship
A.	Names of related parties by whom control is exercised	
	EFSL Comtrade Limited	Holding company
	Edelweiss Commodities Services Limited	Holding company of EFSL Comtrade Limited
	Edelweiss Financial Services Limited	Ultimate holding company

B. Transaction with Related parties		
Nature of transaction	Name of related party	For the period from 27 January 2016 to 31 March 2016
Capital account transactions:		
Ordinary shares issued to	EFSL Comtrade Limited	4,206,656
Current account transaction:		
Cost reimbursement paid to	EFSL Comtrade Limited	3,323,846
Balance with related parties as on 31 March 2016		
Trade payables	EFSL Comtrade Limited	3,323,846



Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

for the period ended 31 March 2016

(Currency: Indian rupees)

2.10 Earnings per share:

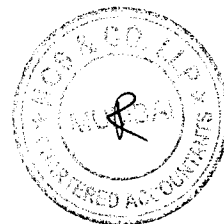
In accordance with Accounting Standard 20 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

	Particulars	For the period from 27 January 2016 to 31 March 2016
a)	Shareholders earnings (as per statement of profit and loss)	(3,386,560)
b)	Calculation of weighted average number of ordinary shares of TRY 1 each:	
	- Number of shares at the beginning of the period	-
	- Shares issued during the period	750,000
	Total number of ordinary shares outstanding at the end of the period	750,000
	Weighted average number of ordinary shares outstanding during the period – 25% paid up (based on the date of issue of shares)	187,500
c)	Basic and diluted earnings per share (in rupees) (a/b)	(18.06)

The basic and diluted earnings per share are the same as there is no dilutive/ potential ordinary shares issued.

2.11 Contingent liabilities and capital commitment

The Company has no capital commitment and contingent liabilities as at the balance sheet date.



Edelweiss Tarim Urunleri Anonim Sirketi

Notes to the financial statements (Continued)

for the period ended 31 March 2016

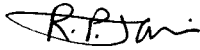
(Currency: Indian rupees)

2.12 Prior period comparative:

The Company presents its first financial statements which cover a period from the date of its incorporation till the balance sheet date and hence previous year's figures are not available for comparative presentation. The financial statements have been prepared for the period from 27th January 2016 to 31st March 2016.

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No. 119850W



R. P. Soni
Partner
Membership No. 104796



Mumbai
12 May 2016

For and on behalf of the Board of Directors



Subhash Rama Poojari
Director

12 May 2016