UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2015 AND
INDEPENDENT AUDITOR'S REPORT

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Shareholders of
UPL Ziraat ve Kimya Sanayi ve Ticaret Limited Şirketi
İzmir

We have audited the accompanying financial statements of UPL Ziraat ve Kimya Sanayi ve Ticaret Limited Şirketi (the "Company"), which comprise the statement of financial position as at 31 March 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ("IFRS"), and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Deloitte.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of UPL Ziraat ve Kimya Sanayi ve Ticaret Limited Şirketi as at 31 March 2015, and its financial performance and cash flows for the year then in accordance with International Financial Reporting Standards.

İzmir, 21 April 2015

DRT BAĞIMSIZ DENETİM VE SMMM A.Ş.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

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UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

(Amounts expressed in TL unless otherwise stated)

ASSETS	Notes	31 March 2015	31 March 2014
CURRENT ASSETS			
Cash and cash equivalents	5	607,939	513,308
Trade receivables	6	32,030,548	21,115,548
Inventories	8	3,746,472	5,171,087
Other receivables and current assets	9	1,129,956	413,437
Total Current Assets		**37,514,915**	**27,213,380**
NON CURRENT ASSETS			
Property, plant and equipment	10	91,814	123,899
Intangible assets	11	362,724	4,978
Deferred tax assets	18	-	36,530
Other receivables and non-current assets	9	158,779	118,798
Total Non-Current Assets		**613,317**	**284,205**
TOTAL ASSETS		**38,128,232**	**27,497,585**

The accompanying notes form an integral part of these financial statements.

UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

(Amounts expressed in TL unless otherwise stated)

LIABILITIES AND EQUITY	Notes	31 March 2015	31 March 2014
CURRENT LIABILITIES			
Borrowings	13	-	14,793
Trade payables	12	24,379,970	15,666,874
Current tax liabilities	18	238,254	87,326
Provisions	14	100,000	100,000
Other payables and expense accruals	15	107,017	98,272
Total Current Liabilities		**24,825,241**	**15,967,265**
NON CURRENT LIABILITIES			
Provision for employment termination benefits	16	82,098	57,214
Other payables and expense accruals	15	1,538,375	1,645,650
Dererred tax liabilities	18	14,679	-
Total Non-Current Liabilities		**1,635,152**	**1,702,864**
EQUITY			
Share capital	17	302,994	302,994
Legal reserves		28,000	28,000
Capital reserve	17	107,830	107,830
Retained earnings		11,229,015	9,388,632
Total Equity		**11,667,839**	**9,827,456**
TOTAL LIABILITIES AND EQUITY		**38,128,232**	**27,497,585**

The accompanying notes form an integral part of these financial statements.

UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

(Amounts expressed in TL unless otherwise stated)

	Notes	1 April 2014- 31 March 2015	1 April 2013- 31 March 2014
Revenue	19	32,960,898	23,428,709
Cost of sales	20	(26,942,410)	(18,440,007)
Gross profit		**6,018,488**	**4,988,702**
Marketing and sales expenses	21	(3,144,475)	(2,850,949)
Administrative expenses	22	(463,687)	(302,797)
Other gains and losses	23	95,676	(2,370,292)
Finance (costs)/income	24	(81,974)	(132,921)
Profit / (loss) before tax		**2,424,028**	**(668,257)**
Income tax expense	18	(583,645)	(193,353)
Profit / (loss) for the year		**1,840,383**	**(861,610)**
Other comprehensive income		-	-
Total comprehensive income / (loss)		**1,840,383**	**(861,610)**

The accompanying notes form an integral part of these consolidated financial statements.

UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

(Amounts expressed in TL unless otherwise stated)

	Share capital	Legal reserves	Capital reserve	Retained earnings	Total
Balance at 1 April 2014	302,994	28,000	107,830	10,250,242	10,689,066
Total comprehensive loss for the year	-	-	-	(861,610)	(861,610)
Balance at 31 March 2014	302,994	28,000	107,830	9,388,632	9,827,456
Total comprehensive income for the year	-	-	-	1,840,383	1,840,383
Balance at 31 March 2015	302,994	28,000	107,830	11,229,015	11,667,839

The accompanying notes form an integral part of these consolidated financial statements.

UPL ZİRAAT VE KİMYA SANAYİ VE TİCARET LİMİTED ŞİRKETİ

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2015

(Amounts expressed in TL unless otherwise stated)

	Notes	1 April 2014- 31 March 2015	1 April 2013- 31 March 2014
Cash flows from operating activities			
Profit / (loss) for the year		1,840,383	(861,610)
Finance cost recognised in profit or loss	24	67,346	132,921
Employee termination provision	16	45,930	271,020
Bonus accrual	14	100,000	100,000
Increased in unused vacation provision	15	20,229	8,630
Gain on disposal of property, plant and equipment	23	(50,587)	-
Depreciation of property plant and equipment	10	42,313	62,742
Amortization of intangible assets	11	14,338	568
Income tax recognized in profit or loss	18	583,645	193,353
Operating profit before changes in working capital		**2,663,597**	**(92,376)**
Increase in trade receivables	6	(10,915,000)	(4,660,196)
Decrease in inventories	8	1,424,615	3,495,611
Increase in other receivables	9	(756,500)	(156,999)
Increase in trade payables	12	8,713,096	2,749,317
(Decrease) / increase in other payables	15	(118,759)	124,134
Cash generated by operations		**1,011,049**	**1,459,491**
Interest paid		(67,346)	(12,211)
Income taxes paid	18	(381,508)	(321,158)
Employee termination paid	16	(21,046)	(313,303)
Bonus premium paid	14	(100,000)	(100,000)
Net cash generated by operating activities		**441,149**	**712,819**
Cash flows for investing activities			
Payments to acquire property, plant and equipment and intangibles	10,11	(382,312)	(11,400)
Proceeds from sale of tangible assets		50,587	-
Net cash used in investing activities		**(331,725)**	**(11,400)**
Cash flows for financing activities			
Change in borrowings, net		(14,793)	(930,248)
Net cash used in investing activities		**(14,793)**	**(930,248)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		94,631	(228,829)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	513,308	742,137
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	**607,939**	**513,308**

The accompanying notes form an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

UPL Ziraat Kimya ve Ticaret Limited Şirketi, (the "Company") was established under the registered name of Ceraxagri Ziraat Kimya ve Ticaret Limited Şirketi, on 6 July 2001 which was subsequently changed to UPL Ziraat Kimya ve Ticaret Limited Şirketi in November, 2014.

The Company primarily involved in trading of all kinds of agricultural goods and products those are used in the protection of crops. The Company's main shareholder is Cerexagri B.V. with 99% share. The Company is registered in Turkey and has the following registered office adress:

Cumhuriyet Bulvarı No:82 D:802 Pasaport – İzmir / Türkiye.

The number of employees of the Company as at 31 March 2015 is 13 (31 March 2014: 11).

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

2.1 Amendments to IFRSs affecting amounts reported in the financial statements

None.

2.2 New and Revised IFRSs applied with no material effect on the financial statements

Amendments to IAS 19	*Defined Benefit Plans: Employee Contributions* [1]
Annual Improvements to 2010-2012 Cycle	*IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16 and IAS 38, IAS 24* [1]
Annual Improvements to 2011-2013 Cycle	*IFRS 1, IFRS 3, IFRS 13, IAS 40* [1]

[1] Effective for annual periods beginning on or after 1 July 2014.

Amendments to IAS 19 *Defined Benefit Plans: Employee Contributions*

This amendment clarifies the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contributions, can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered.

Annual Improvements to 2010-2012 Cycle

IFRS 2: Amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition'.

IFRS 3: Require contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.

IFRS 8: Requires disclosure of the judgements made by management in applying the aggregation criteria to operating segments, clarify reconciliations of segment assets only required if segment assets are reported regularly.

IFRS 13: Clarify that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only).

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

2.2 New and Revised IFRSs applied with no material effect on the financial statements (cont'd)

Annual Improvements to 2010-2012 Cycle (cont'd)

IAS 16 and IAS 38: Clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount.

IAS 24: Clarify how payments to entities providing management services are to be disclosed.

Annual Improvements to 2011-2013 Cycle

IFRS 1: Clarify which versions of IFRSs can be used on initial adoption (amends basis for conclusions only).

IFRS 3: Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

IFRS 13: Clarify the scope of the portfolio exception in paragraph 52.

IAS 40: Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

2.3 New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	*Financial Instruments* [4]
IFRS 14	*Regulatory Deferral Accounts* [1]
Amendments to IFRS 11	*Accounting for Acquisition of Interests in Joint operations* [1]
Amendments to IAS 16 and IAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation* [1]
Amendments to IAS 16 and IAS 41	*Agriculture: Bearer Plants* [1]
IFRS 15	*Revenue from Contracts with Customers* [3]
Amendments to IAS 27	*Equity Method in Separate Financial Statements* [1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [1]
Annual Improvements to 2012-2014 Cycle	*IFRS 5, IFRS 7, IAS 9, IAS 34* [2]
Amendments to IAS 1	*Disclosure Initiative* [1]
Amendments to IFRS 10, IFRS 12 and IAS 28	*Investment Entities: Applying the Consolidation Exception* [1]

[1] Effective for annual periods beginning on or after 1 January 2016.
[2] Effective for annual periods beginning on or after 1 July 2016.
[3] Effective for annual periods beginning on or after 1 January 2017.
[4] Effective for annual periods beginning on or after 1 January 2018.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

2.3 New and revised IFRSs in issue but not yet effective (cont'd)

IFRS 9 ***Financial Instruments***

IFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income ("FVTOCI") measurement category for certain simple debt instruments.

IFRS 14 ***Regulatory Deferral Accounts***

IFRS 14 *Regulatory Deferral Accounts* permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

IFRS 14 was issued by the IASB on 30 January 2014 and is applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016.

Amendments to IFRS 11 ***Accounting for Acquisition of Interests in Joint operations***

This amendment requires an acquirer of an interest in a joint operation in which the activity constitutes a business to:

- apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11,
- disclose the information required by IFRS 3 and other IFRSs for business combinations.

Amendments to IAS 16 and IAS 38 ***Clarification of Acceptable Methods of Depreciation and Amortisation***

This amendment clarifies that that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment, and introduces a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendment also adds guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

2.3 New and revised IFRSs in issue but not yet effective (cont'd)

Amendments to IAS 16 and IAS 41 ***Agriculture: Bearer Plants***

This amendment include 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16. The amendment also introduces a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales, and clarifies that produce growing on bearer plants remains within the scope of IAS 41.

IFRS 15 ***Revenue from Contracts with Customers***

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:
- Identify the contract with the customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contracts,
- Recognise revenue when the entity satisfies a performance obligation.

Amendments to IAS 27 ***Equity Method in Separate Financial Statements***

This amendment permits investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

Amendments to IFRS 10 and IAS 28 ***Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

This amendment clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

Annual Improvements 2012-2014 Cycle

IFRS 5: Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

IFRS 7: Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

IAS 9: Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

IAS 34: Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

2.3 New and revised IFRSs in issue but not yet effective (cont'd)

Amendments to IAS 1 *Disclosure Initiative*

This amendment addresses perceived impediments to preparers exercising their judgement in presenting their financial reports.

Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception*

This amendment addresses issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

The Company evaluates the effects of these standards, amendments and improvements on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by IASB.

Basis of preparation and presentation of financial statements

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The Company maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. The accompanying financial statements are based on the statutory records, with adjustments and reclassifications, for the purpose of fair presentation in accordance with IFRS.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Inflation accounting:

The financial statements of the Company and its Turkish subsidiaries for the periods before 1 January 2006 were adjusted to compensate for the effect of changes in the general purchasing power of the Turkish Lira based on IAS 29 *Financial Reporting in Hyperinflationary Economies*. Turkish Economy is accepted to come off its highly inflationary status as of 1 January 2006. Based on this consideration, IAS 29 has not been applied in the preparation of the consolidated financial statements since 1 January 2006. Amounts expressed in the measuring unit current at 31 December 2005 were treated as the basis for the carrying amounts after 1 January 2006.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer return and rebates.

Sale of goods:

Revenue from sale of seed, seedling, sapling and other agricultural goods are recognized when all the following conditions are satisfied:

- The Company has transferred to the buyer, the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued on a weighted average out basis. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of the changes in economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the initial write-down.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated and carried at cost less accumulated impairment.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the year in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets

Financial assets are classified into the following specified categories: financial assets as at fair value through profit or loss ("FVTPL"), held-to-maturity investments, available-for-sale ("AFS") financial assets and loans and receivables.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognized on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest method less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities (cont'd)

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Taxation and deferred income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Taxation and deferred income taxes (cont'd)

Deferred tax (cont'd)

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss, or where they arise from the initial accounting for a business combination.

Retirement pay provision

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No. 19 (Revised) Employee Benefits ("IAS 19"). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINITY

4.1 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of its property, plant and equipment at the end of each reporting period. The Company takes into consideration the intended use of the property, plant and equipment, the advancement in technology related to the particular type of property, plant and equipment as well as other factors that may require management to extend or shorten the useful lives and the assets' related depreciation.

5. CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents is as follows:

	31 March 2015	31 March 2014
Cash on hand	1,284	12,455
Cash at banks	606,655	500,853
Demand deposits	*606,655*	*500,853*
	607,939	513,308

The details of the Company's deposits as at 31 March 2015 and 2014 are as follows:

	31 March 2015	31 March 2014
EUR	3,139	235
USD	4,372	111
TL	600,428	512,962
	607,939	513,308

As of 31 March 2015 and 2014, there is no blocked deposit in bank accounts.

6. TRADE RECEIVABLES

The breakdown of trade receivables are as follows:

	31 March 2015	31 March 2014
Trade receivables	18,817,748	14,278,988
Notes receivable	11,841,992	6,619,011
Trade receivables from related parties (Note 7)	1,370,808	217,549
	32,030,548	21,115,548

As of 31 March 2015, trade receivables of TL 32,030,548 (2014: TL 21,115,538) were neither past due nor impaired. The average credit period is 285 days (2014: 270 days).

As of 31 March 2015, there is no doubtful provision (2014: None).

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Balance at 1 April	-	160,500
Amount recovered during the year	-	(160,500)
Balance at 31 March	-	-

7. RELATED PARTY TRANSACTIONS

The Company's main shareholder Cerexagri B.V. and other group companies have been defined as related parties.

	31 March 2015			
	Receivables		Payables	
Balances with related parties	Current	Non-Current	Current	Non-Current
UPL Agromed Tarım İlaçları ve Tohumculuk Sanayi ve Ticaret A.Ş.	1,370,808	-	1,939,848	-
UPL Limited, Gibraltar	-	-	14,950,786	-
Bio-Win Corporation Ltd.	-	-	2,922,150	-
Cerexagri B.V. Holland	-	-	46,151	1,538,375
UPL Limited	-	-	2,614,804	-
UPL Ltd. Hong Kong	-	-	249,309	-
Cerexagri S.A.S.	-	-	771,535	-
Decco Italia S.R.L.	-	-	340,611	
	1,370,808	-	23,835,194	1,538,375

As of 31 March 2015, the Company has TL 3,075,914 stock in transit that is purchased from related parties. Since the risk and the title of the inventories are not transferred to the Company, the transaction is not considered in inventories and payables to related parties.

	31 March 2014			
	Receivables		Payables	
Balances with related parties	Current	Non-Current	Current	Non-Current
UPL Agromed Tarım İlaçları ve Tohumculuk Sanayi ve Ticaret A.Ş.	-	-	705,886	-
UPL Limited, Gibraltar	-	-	10,793,848	-
UPL Limited, India	217,549	-	2,328,114	-
Bio-Win Corporation Ltd.	-	-	1,092,857	-
Cerexagri B.V. Holland	-	-	49,302	1,645,650
Cerexagri S.A.S.			244,612	
	217,549	-	15,214,619	1,645,650

7. RELATED PARTY TRANSACTIONS (cont'd)

	1 April 2014 - 31 March 2015			
Transactions with related parties	Sales	Purchases	Service received	Interest expense
UPL Agromed Tarım İlaçları ve Tohumculuk Sanayi ve Ticaret A.Ş.	2,514,084	5,700,600	-	-
Cerexagri B.V. Holland	-	-	-	46,412
Cerexagri S.A.S	-	787,848	-	-
UPL Limited, Gibraltar	-	8,962,165	-	-
Bio-Win Corporation Ltd.	-	2,958,610	-	-
UPL Limited, India	-	2,903,859	-	-
Upl Ltd, Hong Kong	-	212,981	-	-
Decco Italia S.R.L.	-	339,885	-	-
	2,514,084	21,865,948	-	46,412

	1 April 2013 - 31 March 2014			
Transactions with related parties	Sales	Purchases	Service received	Interest expense
UPL Agromed Tarım İlaçları ve Tohumculuk Sanayi ve Ticaret A.Ş.	748,380	1,970,302	506,823	-
Cerexagri B.V. Holland	-	-	-	49,302
UPL Limited, Gibraltar	-	8,851,467	-	-
Bio-Win Corporation Ltd.	-	143,776	-	-
UPL Limited, India	69,584	2,443,896	-	-
	817,964	13,409,441	506,823	49,302

Total salaries provided to key management personnel are amounting to TL 275,807 (31 March 2014: TL 164,769).

8. INVENTORIES

The breakdown of inventories is as follows:

	31 March 2015	31 March 2014
Trade goods	3,746,472	3,268,943
Goods in transit	-	1,902,144
	3,746,472	5,171,087

As of 31 March 2015, the Company has TL 3,075,914 stock in transit that is purchased from related parties. Since the risk and the title of the inventories are not transferred to the Company, the transaction is not considered in inventories and payables to related parties.

9. OTHER RECEIVABLES AND OTHER ASSETS

The breakdown of other receivables and current assets is as follows:

Other receivables and current assets	31 March 2015	31 March 2014
VAT carried forward	357,977	200,846
Other receivables	718,868	180,497
Advances given	53,111	32,094
	1,129,956	413,437

The breakdown of other receivables and non-current assets is as follows:

Other non-current assets	31 March 2015	31 March 2014
Prepaid expenses	158,779	118,735
Deposits and guarantees given	-	63
	158,779	118,798

10. PROPERTY, PLANT AND EQUIPMENT

	Machinery and equipment	Vehicles	Furniture and fixtures	Total
Cost Value				
Opening balance as of 1 April 2014	9,883	298,023	98,221	406,127
Additions	2,290	-	7,938	10,228
Disposal	-	(70,502)	-	(70,502)
Closing balance as of 31 March 2015	12,173	227,521	106,159	345,853
Accumulated Depreciation				
Opening balance as of 1 April 2014	3,225	206,947	72,056	282,228
Charge for the year	978	26,808	14,527	42,313
Disposals	-	(70,502)	-	(70,502)
Closing balance as of 31 March 2015	4,203	163,253	86,583	254,039
Carrying value as of 31 March 2015	7,970	64,268	19,576	91,814

10. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Machinery and equipment	Vehicles	Furniture and fixtures	Total
Cost Value				
Opening balance as of 1 April 2013	10,548	289,100	96,534	396,182
Additions	-	8,923	1,687	10,610
Disposal	(665)	-	-	(665)
Closing balance as of 31 March 2014	9,883	298,023	98,221	406,127
Accumulated Depreciation				
Opening balance as of 1 April 2013	3,335	153,447	63,369	220,151
Charge for the year	555	53,500	8,687	62,742
Disposals	(665)	-	-	(665)
Closing balance as of 31 March 2014	3,225	206,947	72,056	282,228
Carrying value as of 31 March 2014	6,658	91,076	26,165	123,899

10. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The following useful lives are used in the calculation of depreciation:

	Useful Life
Machinery and equipment	15 years
Vehicles	5 years
Furniture and fixtures	3-10 years

Depreciation expense amounting to TL 26,808 has been charged in 'marketing and sales expenses" (2014: TL 59,806) and TL 15,505 has been charged in 'administrative expense ' (2014: TL 2,936).

11. INTANGIBLE ASSETS

Cost Value	Licences	Other	Total
Openning balance as of 1 April 2014	-	15,690	15,690
Additions	372,084	-	372,084
Closing balance as of 31 March 2015	372,084	15,690	387,774
Accumulated Amortization			
Openning balance as of 1 April 2014	-	10,712	10,712
Charge for the year	12,071	2,267	14,338
Closing balance as of 31 March 2015	12,071	12,979	25,050
Carrying value as of 31 March 2015	360,013	2,711	362,724

Cost Value	Other	Total
Openning balance as of 1 April 2013	14,900	14,900
Additions	790	790
Closing balance as of 31 March 2014	15,690	15,690
Accumulated Amortization		
Openning balance as of 1 April 2013	10,144	10,144
Charge for the year	568	568
Closing balance as of 31 March 2014	10,712	10,712
Carrying value as of 31 March 2014	4,978	4,978

11. INTANGIBLE ASSETS (cont'd)

Amortization expense amounting to TL 2,267 has been charged in 'marketing and sales expenses' (2014: None) and TL 12,071 has been charged in 'administrative expense' (2014: TL 568).

The following useful lives are used in the calculation of amortization:

	Useful Life
Licences	5 years

12. TRADE PAYABLES

	31 March 2015	31 March 2014
Trade payables	544,776	452,255
Trade payables from related parties (Note 7)	23,835,194	15,214,619
	24,379,970	15,666,874

The average credit period on purchases of certain goods is 180 days. (31 March 2014: 180 days).

13. BORROWINGS

	31 March 2015	31 March 2014
Short Term Bank Borrowings	-	14,793
Total Short Term Borrowings	-	14,793
Long Term Bank Borrowings	-	-
Total Borrowings	-	14,793

Currency Type	Weighted Average Effective Interest Rate (%)	31 March 2014 Current	Non-current
TL	12.75	14,793	-
		14,793	-

The borrowings are repayable as follows:

	31 March 2015	31 March 2014
To be paid within 1 year	-	14,793
To be paid between 1-2 years	-	-
	-	14,793

14. PROVISIONS

As 31 March 2015 and 2014, movement of provisions is the following:

Bonus accrual	1 April 2014- 31 March 2015	1 April 2013- 31 March 2014
Balance at 1 April	100,000	100,000
Provision made during the year	100,000	100,000
Bonus premium paid	(100,000)	(100,000)
Balance at 31 March	100,000	100,000

Bonus accrual is paid within 3 months after the year-end balance sheet date.

15. OTHER PAYABLES AND EXPENSE ACCRUALS

The breakdown of other payables and expense accruals are as follows.

Other current payables and expense accruals	31 March 2015	31 March 2014
Taxes and dues payable	58,706	50,338
Unused vacation provision	45,667	25,438
Other current liabilities	2,644	22,496
	107,017	98,272

Other non-current payables and expense accruals	31 March 2015	31 March 2014
Other payables due to related parties (Note 7)	1,538,375	1,645,650
	1,538,375	1,645,650

16. PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

Under Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, is called up for military service, dies or achieves the retirement age (58 for women and 60 for men). The amount payable consists of one month's salary limited to a maximum of TL 3,438.22 (2013: TL 3,254.44) for each period of service at 31 December 2014.

There are no agreements for pension commitments other than the legal requirement as explained above. In addition, the liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

16. PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (cont'd)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2014, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet date have been calculated assuming an annual inflation rate of 5.50% and a discount rate of 8.50%, resulting in a real discount rate of approximately 2.84%.

The anticipated rate of forfeitures is considered. As the maximum liability is revised semiannually, the maximum amount of TL 3,541.37 effective from 1 January 2015 has been taken into consideration in calculation of provision from employment termination benefits.

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Provision at 1 January	57,214	99,497
Service cost	45,139	268,765
Interest cost	791	2,255
Termination benefits paid	(21,046)	(313,303)
Provision at 31 March	82,098	57,214

17. SHARE CAPITAL

a) Capital

The breakdown of share capital is as follows:

Shareholders	%	31 March 2015	%	31 March 2014
Cerexagri B.V.	99.00	138,600	99.00	138,600
Cerexagri S.A.	1.00	1,400	1.00	1,400
Nominal Capital	100.00	140,000	100.00	140,000
Inflation adjustment		162,994		162,994
Adjusted capital		302,994		302,994

The total number of ordinary shares is 5,600 (31 March 2014: 5,600 shares) with a par value of TL 25 per share (31 March 2014: TL 25 per share).

17. SHARE CAPITAL (cont'd)

a) Legal reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

b) Capital reserves

The Company's main shareholder Ceraxagri B.V. has injected cash as a capital reserve in order to keep the Company's equity at strong position. Therefore, the relevant cash injection amounting to TL 107,830 at historic cost (EUR 50,000) is reported as capital reserve in financial statements.

18. TAXATION ON INCOME

Current tax liability	31 March 2015	31 March 2014
Current corporate tax provision	532,436	145,317
Less: prepaid taxes and funds	(294,182)	(57,991)
	238,254	87,326

Tax expense comprise:	31 March 2015	31 March 2014
Current tax expense	(532,436)	(145,317)
Deferred tax expense relating to temporary differences	(51,209)	(48,036)
Total tax expense	(583,645)	(193,353)

Corporate tax

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the years.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective rate of tax in 2015 is 20% (2014: 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate in 31 March 2015 is 20% (31 March 2014: 20%). Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

18. TAXATION ON INCOME (cont'd)

Income withholding tax

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are Turkish residents and Turkish branches of foreign companies. Income withholding tax applied in between 24 April 2003 – 22 July 2006 is 10% and commencing from 23 July 2006, this rate has been changed to 15% upon the Council of Ministers' Resolution No: 2006/10731. Undistributed dividends incorporated in share capital are not subject to income withholding tax.

Deferred tax

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting years for IFRS and tax purposes and they are given below:

Deferred tax assets	31 March 2015	31 March 2014
-Provision for employment termination benefits and unused vacation liabilities	(25,553)	(16,530)
-Foreign exchange difference	31,825	-
-Provisions	(20,000)	(20,000)
-Other	28,407	-
	14,679	(36,530)

Movement of deferred tax assets for year ended 31 March 2015 and 2014 as follows:

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Opening balance at 1 April	36,530	84,566
Charged to income statement	(51,209)	(48,036)
Closing balance at 31 March	(14,679)	36,530

18. TAXATION ON INCOME (cont'd)

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Profit / (loss) from operations before tax	2,424,028	(668,257)
Tax at the domestic income tax rate of 20%	(484,806)	133,651
Tax effects of:		
- expenses that are not deductible in determining taxable profit	(50,770)	(24,122)
-other	(48,069)	(302,882)
Income tax expense recognised in income statement	(583,645)	(193,353)

19. REVENUE

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Revenue from domestic sales	32,929,257	23,256,009
Revenue from foreign sales	3,984,269	2,134,092
Sales returns (-)	(1,703,067)	(51,550)
Sales discounts (-)	(2,249,561)	(1,909,842)
	32,960,898	23,428,709

20. COST OF SALES

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Cost of sale of trading goods	(26,942,410)	(18,440,007)
	(26,942,410)	(18,440,007)

21. MARKETING AND SALES EXPENSES

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Personnel expense	(1,344,812)	(1,285,122)
Representation and hospitality expenses	(312,841)	(83,435)
Export cost	(310,322)	(214,599)
Travel expense	(274,010)	(188,269)
Transportation expenses	(256,208)	(188,447)
Rent expenses	(204,941)	(160,086)
Service expenses	(118,374)	(113,090)
Meal expenses	(42,138)	(24,093)
Depreciation and amortization expense (Note 10,11)	(29,075)	(59,806)
Advertising expense	(27,072)	(246,564)
Other expenses	(224,682)	(287,438)
	(3,144,475)	(2,850,949)

22. ADMINISTRATIVE EXPENSES

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Personnel expense	(221,903)	(98,742)
Consultancy expenses	(118,881)	(136,046)
Depreciation and amortization expense (Note 10,11)	(27,576)	(3,504)
Notary, stamp tax, telephone and membership fees	(24,516)	(66,414)
Rent expenses	(18,816)	(38,428)
Stationery expenses	(12,321)	(10,506)
Subscription expenses	(5,971)	(33,704)
Insurance expenses	-	(46,753)
Other	(33,703)	131,300
	(463,687)	(302,797)

23. OTHER GAINS AND LOSSES

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Social security premium discount	20,429	20,991
Foreign exchange (losses)/ gains	160,318	(2,706,027)
Gain on sales of property and equipment	50,587	-
Other losses / (gains)	(135,658)	314,744
	95,676	(2,370,292)

24. FINANCE COSTS AND INCOME

	1 April 2014 - 31 March 2015	1 April 2013 - 31 March 2014
Interest expense	(67,346)	(132,921)
Bank commission expense	(14,628)	-
	(81,974)	(132,921)

25. FOREIGN CURRENCY POSITION

Foreign currency position:

31 March 2015	TL Equivalent of USD	TL Equivalent of EUR	Total TL
Cash and cash equivalents	4,372	3,139	7,511
Trade receivables	1,191,402	30,601	1,222,003
Trade payables	(8,108,169)	(5,615,160)	(13,723,329)
Net foreign currency position	(6,912,395)	(5,581,420)	(12,493,815)

31 March 2014	TL Equivalent of USD	TL Equivalent of EUR	Total TL
Cash and cash equivalents	111	235	346
Trade receivables	1,780,521	143,577	1,924,098
Trade payables	(2,909,052)	(11,354,093)	(14,263,145)
Net foreign currency position	(1,128,420)	(11,210,281)	(12,338,701)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital risk management

The Company manages its capital to ensure the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 13, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

31 March 2015	Loans and receivables	Financial liabilities at amortized cost	Carrying value	Note
Financial assets				
Cash and cash equivalents	607,939	-	607,939	5
Trade receivables	32,030,548	-	32,030,548	6
Other receivables	1,288,735	-	1,288,735	9
Financial liabilities				
Trade payables	-	24,379,970	24,379,970	12
Other payables (*)	-	1,645,392	1,645,392	15

31 March 2014	Loans and receivables	Financial liabilities at amortized cost	Carrying value	Note
Financial assets				
Cash and cash equivalents	513,308	-	513,308	5
Trade receivables	21,115,548	-	21,115,548	6
Other receivables	532,235	-	532,235	9
Financial liabilities				
Trade payables	-	15,666,874	15,666,874	12
Bank loans	-	14,793	14,793	13
Other payables (*)	-	1,743,922	1,743,922	15

(*) Other payables consists of payables to related parties and other current payables and expense accruals.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see below). Market risk exposures are supplemented by sensitivity analysis.
There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed to a certain extent within approved policy parameters utilising forward foreign exchange contracts. The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date is disclosed in below.

Foreign currency sensitivity

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and the EUR. The following table details the Company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number indicates an increase in profit or loss and other equity where the TL strengthens against the relevant currency.

	USD impact		EUR impact	
	2015	2014	2015	2014
Profit and loss	691,240	112,842	558,142	1,121,028

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk management

The Company is exposed to interest rate risk as entities in the Company borrow funds at fixed interest rates. The Company's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. Interest rate risk exposures are continuously reviewed by the Company management.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the balance sheet.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk management (cont'd)

31 March 2015	Less than 1 month	1-3 months	3 months to 1 year	1 - 5 years	5+ years	Total
Trade payables	-	24,379,970	-	-	-	24,379,970
Other payables	-	-	-	-	1,538,375	1,538,375
	-	24,379,970	-	-	1,538,375	25,918,345
31 March 2014						
Borrowings	-	-	14,793	-	-	14,793
Trade payables	-	15,666,874	-	-	-	15,666,874
Other payables	-	-	-	-	1,645,650	1,645,650
	-	15,666,874	14,793	-	1,645,650	17,327,317