

# **ADANI GLOBAL RESOURCES PTE. LTD.**

(Registration number: 201724915H)

## **DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

# **ADANI GLOBAL RESOURCES PTE. LTD.**

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**FOR THE YEAR ENDED 31 MARCH 2020**

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# **ADANI GLOBAL RESOURCES PTE. LTD.**

## **DIRECTORS' STATEMENT**

The directors are pleased to present their statement to the members together with the audited financial statements of **ADANI GLOBAL RESOURCES PTE. LTD.** (the "Company") for the financial year ended 31 March 2020.

### **1. OPINION OF THE DIRECTORS**

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, with the continued financial support from its holding company, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

### **2. DIRECTORS**

The directors of the Company in office at the date of this statement are:

Janakaraj Jeyakumar  
Anand Sanjay  
Kukean Deepak Vaman

### **3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES**

The directors who held office at the end of the financial year had no interests in the shares of the Company and its related corporations as recorded in the register of directors' shareholdings required to be kept by the Company under Section 164 of the Singapore Companies Act, Chapter 50.

## ADANI GLOBAL RESOURCES PTE. LTD.

### DIRECTORS' STATEMENT – cont'd

5. **SHARE OPTIONS**

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

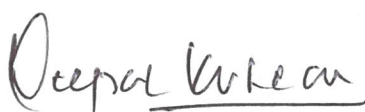
There were no shares issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

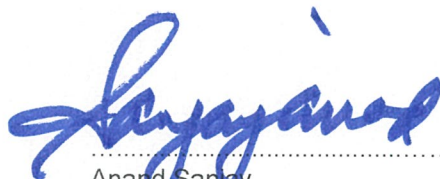
6. **INDEPENDENT AUDITOR**

Prudential Public Accounting Corporation, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Kukean Deepak Vaman  
Director



Anand Sanjay  
Director

Date: 7 August 2020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF ADANI GLOBAL RESOURCES PTE. LTD.**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of **ADANI GLOBAL RESOURCES PTE. LTD. LTD.** (the "Company"), which comprise the statement of financial position as at 31 March 2020, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the company for the period ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF ADANI GLOBAL RESOURCES PTE. LTD. – cont'd**

**Responsibilities of Management and Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not guarantee that an audit conducted in accordance with SSAs 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 financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the 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 risks 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.
- (b) 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 Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF ADANI GLOBAL RESOURCES PTE. LTD. – cont'd**

**Auditor's Responsibilities for the Audit of the Financial Statements – cont'd**

- (d) Conclude on the appropriateness of management's 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 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 auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures as going concern, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**Report on Other Legal Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

*Prudential PAC*

**PRUDENTIAL PUBLIC ACCOUNTING CORPORATION  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS  
SINGAPORE**



Date: 7 August 2020



# ADANI GLOBAL RESOURCES PTE. LTD.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	<u>Note</u>	<u>2020</u> <u>US\$</u>	<u>2019</u> <u>US\$</u>
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Investment in subsidiaries	(7)	<u>1,586</u>	<u>1,586</u>
Total non-current assets		<u>1,586</u>	<u>1,586</u>
<b>Current asset:</b>			
Other receivables	(8)	<u>2,000</u>	<u>2,000</u>
Total current assets		<u>2,000</u>	<u>2,000</u>
<b>Total assets</b>		<u><b>3,586</b></u>	<u><b>3,586</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves:</b>			
Share capital	(9)	<u>1,000</u>	<u>1,000</u>
Accumulated loss		<u>(200)</u>	<u>(100)</u>
Total equity		<u>800</u>	<u>900</u>
<b>Non-current liabilities:</b>			
Convertible note	(10)	<u>1,000</u>	<u>1,000</u>
Total non-current liabilities		<u>1,000</u>	<u>1,000</u>
<b>Current liabilities:</b>			
Other payables	(11)	<u>1,786</u>	<u>1,686</u>
Total current liabilities		<u>1,786</u>	<u>1,686</u>
Total liabilities		<u>2,786</u>	<u>2,686</u>
<b>Total equity and liabilities</b>		<u><b>3,586</b></u>	<u><b>3,586</b></u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



## ADANI GLOBAL RESOURCES PTE. LTD.

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	<u>Note</u>	<u>2020</u> <u>US\$</u>	<u>2019</u> <u>US\$</u>
Revenue		-	-
Administrative cost		-	-
Finance costs		<u>(100)</u>	<u>(100)</u>
<b>Loss before income tax</b>		<b>(100)</b>	<b>(100)</b>
Income tax expense	(12)	<u>-</u>	<u>-</u>
<b>Loss for the year</b>		<b>(100)</b>	<b>(100)</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<b><u>(100)</u></b>	<b><u>(100)</u></b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## ADANI GLOBAL RESOURCES PTE. LTD.

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share Capital US\$	Accumulated Losses US\$	Total US\$
Balance as at 1 April 2018	1,000	-	1,000
Total comprehensive loss for the year	-	(100)	(100)
Balance as at 31 March 2019	1,000	(100)	900
Total comprehensive loss for the year	-	(100)	(100)
Balance as at 31 March 2020	1,000	(200)	800

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## ADANI GLOBAL RESOURCES PTE. LTD.

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	<u>2020</u> US\$	<u>2019</u> US\$
<b>Cash flows from operating activities</b>		
Loss before income tax and working capital changes	(100)	(100)
Other payables	<u>100</u>	<u>100</u>
<b>Net cash from operating activities</b>	<u>-</u>	<u>-</u>
Net increase in cash and bank balances	-	-
Cash and bank balances at beginning of year	<u>-</u>	<u>-</u>
<b>Cash and bank balances at end of year</b>	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# ADANI GLOBAL RESOURCES PTE. LTD.

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1. GENERAL

Adani Global Resources Pte. Ltd. ("the Company") (Registration number: 201724915H) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office and principal place of business at:

80 Raffles Place #33-20  
UOB Plaza  
Singapore 048624

The principal activities of the company is that of general wholesale trade, including general importers and exporters, and purchase of royalty rights.

The financial statements of the Company for the financial year ended 31 March 2019 were authorised for issue by the Board of Directors on 7 August 2020.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up and in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS") including related interpretations of FRS ("INT FRSS") promulgated by Accounting Standards Council ("ASC").

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for value in use in FRS 36 where measurement that have some similarities to fair value but not fair value.

The fair value of financial assets and liabilities are disclosed in Note 5.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.1 Basis of Accounting – cont'd

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumption. The areas involving a higher degree of judgement or complexity or areas when assumption and estimates are significant to the financial statement as disclosed in Note 4.

##### 2.2. Changes in Accounting Policies

###### a) Adoption of new revised FRS and INT FRS

In the current financial year, the Company has adopted all the new and revised FRSs and INT FRSs issued by the ASC that are relevant to its operations and effective for annual periods beginning on or after 1 April 2019. The adoption of these new and revised FRSs and INT FRSs did not result in substantial changes to the Company's accounting policies.

###### b) Standards issued but not yet effective

At the date of authorisation of financial statements, the following FRSs, INT FRSs and amendments that are relevant to the Company were issued but not effective are as follows:

###### Effective for annual periods beginning on or after 1 January 2020

- Amendments to Reference to the Conceptual Framework in FRS Standards
  - FRS 1 *Presentation of Financial Statement*
  - FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
  - FRS 37 *Provision, Contingent Liabilities and Contingent Assets*
  - INT FRS 122 *Foreign Currency Transactions and Advance Consideration*

The management anticipate that adoption of the above FRSs, INT FRS and amendments to FRS in future periods standards will not have material impact on the financial statements of the Company in the period of their initial application.

##### 2.3. Functional and Foreign Currency

###### (a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements of the company are presented in United States dollar, which is also the functional currency of the company.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.3. Functional and Foreign Currency – cont'd

###### (b) Foreign currency transactions

Transactions in foreign currencies have been converted into United States dollar at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies at the end of reporting period have been converted into United States dollar at the rates of exchange approximating those ruling at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of initial transactions. Non-monetary assets and liabilities measured at fair value are measured at exchange rates ruling at the dates the fair value was determined. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss.

##### 2.4 Investment in Subsidiary

Subsidiary is an entity controlled by the Company. The company controls an investee when it 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.

Investment in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investment, the difference between the net disposal proceed and their carrying amounts is included in profit or loss.

These financial statements are the separate financial statements of the Company.

The financial statements of its subsidiaries have not been consolidated with the Company's financial statements for reason that the Company itself is a wholly owned subsidiary of another corporation. The ultimate holding company, Adani Enterprises Ltd prepares consolidated financial statements which are available for public use. The registered office of Adani Enterprises Ltd is Adani House, Nr Mithakhali Circle, Navrangpura, Ahmedabad 380 009, Gujarat, India.

##### 2.5 Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.5 Impairment of Non-Financial Assets – cont'd

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

##### 2.6. Income Tax

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

###### a) Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates that have been enacted at the end of the reporting period.

###### b) Deferred tax

Deferred income tax is provided, using the liability method on all temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit or loss nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period 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 reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit 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 to 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 end of reporting period.



## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.6. Income Tax – cont'd

###### b) Deferred tax – cont'd

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.

##### 2.7 Related Parties

A related party is a person or an entity related to the company and is further defined as follows:

a) A person or a close member of that person's family is related to 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 company or of a parent of the company.

b) An entity is related to the company if any of the following conditions applies:

- i) the entity and the company are members of the same group i.e 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 entity and the other entity is an associate of the third entity;
- v) the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. 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); or
- 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; or
- viii) the entity, or any member of the group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the company.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS 24- Related Party Disclosures.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.8 Provision

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, 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 recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

##### 2.9 Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized

##### 2.10 Events after the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

#### 3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

##### *Amortised Cost and Effective Interest Method*

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (excluding expected credit losses) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

##### 3.1. Financial Assets

###### (a) Classification and measurement

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The Company initially measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### Debt Instruments

After initial measurement at fair value, debt instruments are measured at amortised cost using the effective interest rate (EIR) method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised, or impaired, and through the amortisation process. Interest income from these financial assets is included in interest income using the effective interest rate (EIR) method.

A financial asset is measured at amortised cost if the financial asset is held with the objective of collecting contractual cash flows and these contractual cash flows comprises solely principal and interest payments.

As at the reporting date, the company's financial assets at amortised cost consist of other receivables.

###### (b) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with all debt instruments carried at amortised cost. and FVOCI.

ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.1. Financial Assets – cont'd

###### (b) Impairment of financial assets – cont'd

ECL are recognised in two stages:

- (i) For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).
- (ii) For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

###### (c) Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or its transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

##### 3.2. Equity and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability. Financial liabilities are recognised on the statement of financial position when and only when, the company becomes a party to the contractual provisions of the financial instruments.

###### (a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost.

Ordinary share capital is classified as equity.

###### (b) Financial liabilities

Financial liabilities consist of other payables and borrowings.

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.2. Equity and Financial Liabilities – cont'd

###### (c) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid recognised in profit or loss.

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

##### 4.1 Critical Judgement in Applying Accounting Policies

In the application of the Company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### 4.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, 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:

###### Loss allowance for impairment on other receivables

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the existing and forecast industry outlook of the investee company as well as forward looking estimates at the end of each reporting period. The information about the ECLs is disclosed in Note 5.2(a).

The carrying amounts of the other receivables as at 31 March 2020 are disclosed in Note 8.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY-cont'd

##### 4.2 Key Sources of Estimation Uncertainty – cont'd

##### Impairment of investment in subsidiary

The company follows the guidance of FRS 36 in determining the recoverability of its investment in subsidiary. This requires assessment as to whether the carrying values of its investment can be supported by the net present values of future cash flows derived from such investment using cash flow projections which have been discounted at an appropriate rate. This determination requires significant judgement. The company determines forecasts of future cash flows based on its estimates of future revenues and operating expenses using historical and industry trends, general market conditions, forecasts and other available information.

The carrying amount of the company's investment in subsidiary is disclosed in Note 7 to the financial statements.

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES

##### 5.1 Categories of Financial Assets and Financial Liabilities

	<u>2020</u> US\$	<u>2019</u> US\$
<b><u>Financial assets</u></b>		
At amortised costs:		
- Other receivables	<u>2,000</u>	<u>2,000</u>
<b><u>Financial liabilities</u></b>		
At amortised costs:		
- Borrowing	<u>1,000</u>	<u>1,000</u>
- Other payables	<u>1,786</u>	<u>1,686</u>
	<u>2,786</u>	<u>2,686</u>

##### 5.2 Financial Risk Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal.

The company adopt a systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

There has been no change to the company's exposure to these financial risks or the manner in which it manages measures the risk.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

The company's policies for managing these risks are summarised below:

###### (a) Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to company resulting in a loss to the company. The company's primary exposure to credit risk arises through its bank balance.

The company's cash at banks are held in major financial institutions which are regulated, which the management believes are of high credit quality.

The company considers the probability of default upon initial recognition of asset and at each reporting date, assesses whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

###### *Subsequent increase in credit risk*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and includes forward-looking information.

Regardless, a significant increase in credit risk is presumed if the counterparty is more than 30 days past due in making contractual payment unless the company has reasonable and supportable information that demonstrates otherwise.

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

###### *Low credit risk*

The company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

A financial asset is considered to have low credit risk if:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term;
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.



## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

###### (a) Credit risk – cont'd

###### *Credit impaired*

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or counterparty;
- A breach of contract such as a default;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation.

###### *Default event*

The company has determined the default event on a financial asset to be when the counterparty is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held).

###### *Write-off*

The company categorises a financial asset for potential write-off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

Where financial assets have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

###### *Credit loss assessment*

The following are qualitative information about amounts arising from expected credit losses from financial assets:

- Other receivable

These are considered to be low risk, and they have been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

###### *Significant concentration of credit risk*

As at the reporting date, the company has no significant concentration of credit risk.

# ADANI GLOBAL RESOURCES PTE. LTD.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES – cont'd

#### 5.2 Financial Risk Management Policies and Objectives – cont'd

##### (b) Market risk

Market risk exposures are measured using sensitivity analysis indicated below:

##### (i) Interest rate risk

No interest rate sensitivity analysis is disclosed as the company is not exposed to interest rate risk.

##### (ii) Foreign currency exchange rate risk

Foreign currency exchange rate risk arise from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period and in the future years.

The company is not exposed to foreign exchange risk as its transactions and balances are almost entirely denominated in United States Dollars.

##### (c) Liquidity risk

Liquidity risk refer to risk that the company will not have sufficient funds to pay its debts as and when they fall due.

The following table summarises the company's remaining contractual maturity for its non-derivative financial liabilities at the end of the reporting period based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the company is expected to pay.

<u>2020</u>	<u>Effective interest rate (%)</u>	<u>Carrying amount</u>	<u>Contractual undiscounted cash flows</u>			<u>Total</u>
			<u>Less than 1 year</u>	<u>Within 2 to 5 Years</u>	<u>More than 5 years</u>	
		<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
<b>Financial liabilities:</b>						
<b><u>Amortised cost</u></b>						
Borrowing	10%	1,000	-	-	1,000	1,000
Other payables	-	1,786	1,786	-	1,786	1,786
		<u>2,786</u>	<u>1,786</u>	<u>-</u>	<u>2,786</u>	<u>2,786</u>
<u>2019</u>	<u>Effective interest rate (%)</u>	<u>Carrying amount</u>	<u>Contractual undiscounted cash flows</u>			<u>Total</u>
			<u>Less than 1 year</u>	<u>Within 2 to 5 Years</u>	<u>More than 5 years</u>	
		<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
<b>Financial liabilities:</b>						
<b><u>Amortised cost</u></b>						
Borrowing	10%	1,000	-	-	1,000	1,000
Other payables	-	1,686	1,686	-	-	1,686
		<u>2,686</u>	<u>1,686</u>	<u>-</u>	<u>1,000</u>	<u>2,686</u>

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

###### (d) Fair value of financial assets and financial liabilities

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models as appropriate.

The carrying amounts of other receivables, other payables and bank borrowings approximate their respective fair values because these are either short term in nature or are repriced frequently. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

The company does not anticipate that the carrying amounts recorded at end of the reporting period would significantly be different from the values that would eventually be received or settled.

###### (e) Capital risk management policies and objectives

The company's objective when managing capital is to safeguard the company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as other payables and borrowings less bank balances. Total capital is calculated as equity plus net debt. The company's overall strategy remains unchanged during the financial period.

	<u>2020</u> US\$	<u>2019</u> US\$
Borrowing	1,000	1,000
Other payables	1,786	1,686
Less: cash and bank balances	<u>-</u>	<u>-</u>
Net debt	2,786	2,686
Total equity	<u>800</u>	<u>900</u>
Total capital	<u>3,586</u>	<u>3,586</u>
Gearing ratio	<u>78%</u>	<u>75%</u>

The company is not subject to externally imposed capital requirement.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 6. HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The Company is a wholly owned subsidiary of Adani Global Pte. Ltd., incorporated in Singapore. The ultimate holding company is Adani Enterprises Ltd, a company incorporated in India.

#### 7. INVESTMENT IN SUBSIDIARIES

	<u>2020</u> US\$	<u>2019</u> US\$
Unquoted equity, at cost		
Carmichael Rail Network Holdings Pty Ltd	793	793
Carmichael Rail Asset Holdings Trust	793	793
	<u>1,586</u>	<u>1,586</u>

Details of the Company's subsidiaries at the end of the reporting period are as follows:

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Equity shareholding</u>	
			<u>2020</u>	<u>2019</u>
Carmichael Rail Network Holdings Pty Ltd	Australia	Rail business	100%	100%
Carmichael Rail Asset Holdings Trust	Australia	Rail business	100%	100%

One set of consolidated financial statements of the company and its subsidiaries are not prepared as the company itself is a wholly owned subsidiary of another corporation. The ultimate holding company, Adani Enterprises Ltd prepares consolidated financial statements which are available for public use. The registered office of Adani Enterprises Ltd is Adani House, Nr Mithakhali Circle, Navrangpura, Ahmedabad 380 009, Gujarat, India.

As at the end of the reporting period, the company carried out a review on the recoverable amount of its investment in subsidiary. The review revealed no impairment in value required during the financial year. The recoverable amount of the relevant investment in subsidiary have been determined on the basis of their net assets value at the end of the reporting period as in the opinion of the management of the company, the net assets value of the subsidiary reasonably approximate the fair value less costs to sell.

#### 8. OTHER RECEIVABLES

	<u>2020</u> US\$	<u>2019</u> US\$
Amount due from		
- Immediate holding company	1,000	1,000
- Related party	1,000	1,000
	<u>2,000</u>	<u>2,000</u>

The amount owing from immediate holding company and related party are unsecured, interest-free and repayable on demand.

Other receivables are denominated in United States dollar.

## ADANI GLOBAL RESOURCES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 9. SHARE CAPITAL

	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<u>Number of ordinary shares</u>		<u>US\$</u>	<u>US\$</u>
<u>Issued and fully paid:</u>				
As at beginning and end of year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The fully paid ordinary shares which have no par value carry one vote per share and a right to dividends as and when declared by the Company.

#### 10. BORROWING

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Convertible note - redeemable	<u>1,000</u>	<u>1,000</u>

Borrowing refers to redeemable convertible Note with a face value of USD 1,000. This note is unsecured, bears interest at 10% per annum and is redeemable in 2033. The noteholder may at any time upon giving at least 5 business days' notice to the issuer, convert some or all of the Notes into fully paid ordinary shares in accordance to the Note Conversion terms and conditions.

#### 11. OTHER PAYABLES

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Amount due to subsidiaries	1,586	1,586
Interest payable	<u>200</u>	<u>100</u>
	<u>1,786</u>	<u>1,686</u>

The carrying amounts of other payables are denominated in the following currencies:

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Australia dollar	1,586	1,586
United States dollar	<u>200</u>	<u>100</u>
	<u>1,786</u>	<u>1,686</u>

#### 12. INCOME TAX

No provision for income tax was provided as there was no chargeable income during the year.

#### 13. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature has arisen in the interval between the end of the reporting period and the date of this report which is likely to affect substantially the results of operations of the Company for the succeeding financial year.

## ADANI GLOBAL RESOURCES PTE. LTD.

### DETAILED PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

	<u>2020</u> US\$	<u>2019</u> US\$
Revenue	-	-
<b>Less: Finance costs</b>		
Interest expense	<u>(100)</u>	<u>(100)</u>
<b>Loss before income tax</b>	<u><u>(100)</u></u>	<u><u>(100)</u></u>

This schedule does not form part of the statutory financial statements.