

**ADANI RENEWABLE ASSET  
HOLDINGS PTY LTD**

**A.C.N. 96 620 876 100**

**CONSOLIDATED REDUCED  
DISCLOSURE  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
31 MARCH 2020**

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# Adani Renewable Asset Holdings Pty Ltd

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# **Adani Renewable Asset Holdings Pty Ltd**

## **Directors' report**

### **Year ended 31 March 2020**

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Your directors submit their report on the consolidated entity comprising Adani Renewable Asset Holdings Pty Ltd (the "Company") and the entities it controlled at the end of, or during the year ended 31 March 2020. Throughout the report, the consolidated entity is referred to as the "Group".

#### **DIRECTORS**

The names of the directors of Adani Renewable Asset Holdings Pty Ltd in office during the financial year and up to the date of this report are:

Jeyakumar Janakaraj (appointed 21 December 2018)  
Samir Vora

#### **COMPANY SECRETARY**

The Company Secretary of Adani Renewable Asset Holdings Pty Ltd during the financial year and up to the date of this report is:

Rajesh Gupta

#### **CORPORATE INFORMATION**

Adani Renewable Asset Holdings Pty Ltd is a company limited by shares, domiciled in Australia, and was incorporated and commenced operations on 3 August 2017.

The registered office of the Group is located at:  
Level 9, 120 Edward Street  
Brisbane, Queensland, Australia.

#### **PRINCIPAL ACTIVITIES**

The Company is a trustee company of Adani Renewable Asset Holdings Trust (ARAHT). It controls 100% of both Adani Renewable Assets Pty Ltd and Adani Rugby Run Pty Ltd, which are trustee companies for Adani Renewable Asset Trust and Adani Rugby Run Trust respectively.

The Company also controls 100% of both Whyalla Renewable Holdings Pty Ltd and Whyalla Renewables Pty Ltd, which are trustee companies for Whyalla Renewable Holdings Trust and Whyalla Renewables Trust respectively. These entities were incorporated or registered and commenced operations on 10 May 2018.

The principal activity of the Company during the year was to act as the trustee company of ARAHT.

#### **DIVIDENDS**

No dividend has been paid nor recommended during the financial year.

#### **RESULTS AND FINANCIAL REVIEW**

The loss after tax for the Group for the year ended 31 March 2020 was \$3,040 (2019: \$nil).

#### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

Other than the matters detailed as part of our review of the Group's operations for the year ended 31 March 2020, there were no significant changes in the state of affairs of the Group during the current financial year.

# **Adani Renewable Asset Holdings Pty Ltd**

## **Directors' report (continued)**

### **Year ended 31 March 2020**

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#### **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

There have been no other matters or circumstances that have arisen since the end of the financial year, other than as noted below, that have significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in financial periods after the year ended 31 March 2020.

#### ***Impact of the Coronavirus (COVID-19) outbreak***

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization.

The Group has not seen a significant impact on its operations and business to date. The outbreak and the response of governments in dealing with the pandemic is interfering with general activity levels within the community and the economy, and therefore may affect the operations of the business. The scale and duration of these developments remain uncertain as at the date of this report; however, have the potential to impact on the Group's financial condition.

It is not possible to estimate the impact of the outbreak's near-term and longer effects or governments' varying efforts to combat the outbreak and support businesses. This being the case, it is not considered practicable nor possible to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time.

No adjustments have been made to financial statements as at 31 March 2020 for the impacts of COVID-19.

#### **LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS**

Rugby Run Solar Farm is operational and Whyalla Solar project remains under development.

#### **ENVIRONMENTAL REGULATION AND PERFORMANCE**

The Group's operations are not subject to any environmental regulations.

#### **INSURANCE OF DIRECTORS AND INDEMNITIES**

During the financial year, a related party paid premiums in respect of Directors' and Officers' Liability Insurance contract for the Group. The insurance contracts insure against certain liabilities (subject to exclusions) for persons who are or have been directors or officers of the Group. A condition of the contract is that the nature of the liabilities indemnified and the premium payable shall not be disclosed.

#### **INDEMNIFICATION OF AUDITORS**

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year ended 31 March 2020.

#### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under *section 307C of the Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of directors.



Samir Vora  
Director

Brisbane, Queensland, 7 May 2020

## Auditor's Independence Declaration to the Directors of Adani Renewable Asset Holding Pty Ltd

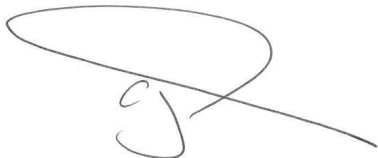
As lead auditor for the audit of the financial report of Adani Renewable Asset Holding Pty Ltd for the financial year ended 31 March 2020, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Adani Renewable Asset Holding Pty Ltd and the entities it controlled during the financial year.



Ernst & Young



Andrew Carrick  
Partner  
7 May 2020

# Adani Renewable Asset Holdings Pty Ltd

## Consolidated statement of comprehensive income

For the year ended 31 March 2020

		Year ended 31 Mar 2020	Year ended 31 Mar 2019
	Notes	\$	\$
Interest income		3,043	335,058
General and administration expenses		(24,996)	(12,745)
Depreciation	6(c)	(203,137)	-
Finance costs		(17,101)	(343,020)
Expenses recoverable		241,281	47,882
Foreign exchange loss, net		-	(27,175)
<b>Loss before tax</b>		<b>(910)</b>	<b>-</b>
Income tax expense	3	(2,130)	-
<b>Loss for the year from continuing operations</b>		<b>(3,040)</b>	<b>-</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year attributable to owners of the parent entity</b>		<b>(3,040)</b>	<b>-</b>

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.*

# Adani Renewable Asset Holdings Pty Ltd

## Consolidated balance sheet

As at 31 March 2020

		31 March 2020	31 March 2019
	Notes	\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash on hand and at bank		384,779	60,800
Other receivables		3,923	10,630
Due from related parties	9(e)	5,123,839	4,698,203
<b>Total current assets</b>		<b>5,512,541</b>	<b>4,769,633</b>
<b>Non-current assets</b>			
Right of use asset	6(a)	1,309,742	-
<b>Total non-current assets</b>		<b>1,309,742</b>	<b>-</b>
<b>Total assets</b>		<b>6,822,283</b>	<b>4,769,633</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	4	976,418	2,181,418
Non-interest bearing liability	5	4,542,205	2,583,205
Lease liability	6(b)	353,459	-
<b>Total current liabilities</b>		<b>5,872,082</b>	<b>4,764,623</b>
<b>Non-current liabilities</b>			
Lease liability	6(b)	948,231	-
<b>Total non-current liabilities</b>		<b>948,231</b>	<b>-</b>
<b>Total liabilities</b>		<b>6,820,313</b>	<b>4,764,623</b>
<b>Net assets</b>		<b>1,970</b>	<b>5,010</b>
<b>Equity</b>			
Contributed equity	7	5,010	5,010
Accumulated losses		(3,040)	-
<b>Total equity</b>		<b>1,970</b>	<b>5,010</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

# Adani Renewable Asset Holdings Pty Ltd

## Consolidated statement of changes in equity

For the year ended 31 March 2020

	Contributed equity	Accumulated losses	Total
	\$	\$	\$
<b>For the year ended 31 March 2020</b>			
At 1 April 2019	5,010	-	5,010
Loss for the year	-	(3,040)	(3,040)
Total comprehensive loss	-	(3,040)	(3,040)
<b>At 31 March 2020</b>	<b>5,010</b>	<b>(3,040)</b>	<b>1,970</b>
<b>For the year ended 31 March 2019</b>			
At 1 April 2018	5,010	-	5,010
Loss for the period	-	-	-
Total comprehensive loss	-	-	-
<b>At 31 March 2019</b>	<b>5,010</b>	<b>-</b>	<b>5,010</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*



# Adani Renewable Asset Holdings Pty Ltd

## Consolidated statement of cash flows

For the year ended 31 March 2020

	Year ended 31 Mar 2020	Year ended 31 Mar 2019
Notes	\$	\$
<b>Cash flows from/(used in) operating activities</b>		
Receipts from related parties	117,697	-
Payments to suppliers and employees	(1,534,014)	21,622
Interest received	-	335,059
Finance costs paid	-	(343,020)
Income tax paid	(2,130)	-
<b>Net cash (used in)/from operating activities</b>	<b>(1,418,447)</b>	<b>13,661</b>
<b>Cash flows used in investing activities</b>		
<b>Net cash flows used in investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from/(used in) financing activities</b>		
Loan from a related party	1,959,000	-
Lease principal paid	(211,189)	-
Lease interest paid	(5,385)	-
<b>Net cash flows from financing activities</b>	<b>1,742,426</b>	<b>-</b>
Net increase in cash at bank and on hand	323,979	13,661
Cash at bank and on hand at beginning of the year	60,800	47,139
<b>Cash at bank and on hand at end of the year</b>	<b>384,779</b>	<b>60,800</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements

For the year ended 31 March 2020

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### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The general purpose financial report of the Group (the "Group") comprising Adani Renewable Asset Holdings Pty Ltd (the "Company") and its subsidiaries for the year ended 31 March 2020 was authorised for issue in accordance with a resolution of the directors on 7 May 2020.

On 3 August 2017, Adani Renewable Asset Holdings Pty Ltd acquired 100% of the equity shares of Adani Renewable Assets Pty Ltd and Adani Renewable Assets Pty Ltd acquired 100% of the equity shares of Adani Rugby Run Pty Ltd.

On 10 May 2018, Adani Renewable Asset Holdings Pty Ltd acquired 100% of the equity shares of Whyalla Renewable Holdings Ltd and Whyalla Renewable Holdings Ltd acquired 100% of the equity shares of Whyalla Renewables Pty Ltd.

The nature of operations and principal activities of the Group are described in the Directors' report.

#### (a) Basis of preparation

##### (i) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, *Australian Accounting Standards - Reduced Disclosure Requirements* and other authoritative pronouncements of the Australian Accounting Standards Board. The Group is a for-profit, private sector entity which is not publicly accountable. Therefore, the consolidated financial statements for the Group are general purpose financial statements which have been prepared in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* (AASB - RDR).

The Company is limited by shares for the purpose of preparing the financial statements. The financial report has been prepared on a historical cost basis and is presented in Australian dollars.

##### (ii) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity including the realisation of assets and settlement of liabilities in the ordinary course of business.

During the year ended 31 March 2020, the Group made a loss of \$3,040 (2019: \$nil) and as at 31 March 2020, the Group had current liabilities exceeding current assets by \$359,541 (2019: current assets exceeded current liabilities by \$5,010). The net current liability position is mainly due to the classification of the Group's related party payables/borrowings as current liabilities (refer to Notes 4 and 5).

The ability of the Group to continue as a going concern is dependent upon the ongoing support of its shareholders. The ultimate parent company, Adani Enterprises Limited has agreed to not call on the Group to repay any loans or other amounts owing to it or entities under its control, if after payment of the loans or the other amounts, the Group would not be able to meet its debts as and when they fall due for a period not less than twelve months from date from these financial statements. Additionally, Adani Enterprises Limited, in its own capacity or through entities under its control has agreed to provide the financial support to the Group for a period at least twelve months from the date of these financial statements. Based on the letter of support received, the Directors of the Company are satisfied funds will be available to meet the planned activities and contractual commitments for at least 12 months from the date of the authorisation of these financial statements.

**Notes to the consolidated financial statements (continued)**

**For the year ended 31 March 2020**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(a) Basis of preparation (continued)**

**(iii) New and amended standards and interpretations**

The Group applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 April 2019. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The nature and the impact of each new standard or amendment is described below:

► **AASB 16 Leases**

AASB 16 Leases was mandatory for financial years commencing on or after 1 April 2019. The Company adopted the new standard from its effective date by applying the modified retrospective approach. Accordingly, comparative amounts for the year prior to first adoption were not restated.

AASB 16 has removed the distinction between operating and finance leases to result in almost all leases being recognised on the Balance Sheet. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

During the year, the Company's prior year lease for office accommodation was replaced with a new lease. There was no effect of adopting AASB 16 as at 1 April 2019, since there were no operating lease commitments recognised at that time. A right of use asset and lease liability was recognised on commencement of the new lease.

► **AASB Interpretation 23 Uncertainty over Income Tax Treatment**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 12 Income Taxes. The Company may apply significant judgement in identifying uncertainties over income tax treatments. Upon adoption of the Interpretation, the Company considered whether it has any uncertain tax positions, and has determined it is probable that its tax treatments will be accepted by the taxation authorities. The Interpretation did not have an impact on the financial statements of the Company.

► **Amendments to AASB 9 Prepayment Features with Negative Compensation**

Under AASB 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to AASB 9 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. These amendments had no impact on the financial statements of the Company.

Several other amendments and interpretations apply for the first time in 2020, but do not have an impact on the consolidated financial report of the Group.

**(b) Principles of consolidation**

**Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity as per note 7.

The financial statements of the subsidiaries are fully consolidated.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**(c) Foreign currency translation**

The Company and subsidiaries' functional currency is the Australian dollar, being the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Australian dollars.

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the appropriate exchange rates ruling at that date. Foreign exchange differences are dealt with in the profit or loss.

## **Notes to the consolidated financial statements (continued)**

**For the year ended 31 March 2020**

### **1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(d) Other income recognition**

##### *Interest*

Interest income is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### **(e) Income taxes**

##### *Current tax*

Current tax is calculated by preference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

##### *Deferred tax*

Deferred tax is provided for all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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 they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

##### *Current and deferred tax for the period*

Current and deferred tax is recognised as an expense or income in the Statement of Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

#### **(f) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### **(g) Cash at bank and on hand**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash at bank and on hand includes deposits at call which are readily convertible to cash on hand, which are as defined above, net of outstanding bank overdrafts.

#### **(h) Trade and other receivables**

Trade receivables are recognised when an amount of consideration that is unconditional is due from the customer, i.e. only the passage of time is required before payment of the consideration is due. Refer to accounting policies in note 1(i) Financial Instruments (i) Financial assets - initial recognition and measurement; and (ii) Financial assets - subsequent measurement.

## **Notes to the consolidated financial statements (continued)**

**For the year ended 31 March 2020**

### **1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(i) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **(i) Financial assets - initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

#### **(ii) Financial assets - subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in the following categories:

- ▶ Financial assets at amortised cost (debt instruments)
- ▶ Financial assets at fair value through profit or loss

##### **Financial assets at amortised cost (debt instruments)**

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- ▶ The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- ▶ The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include other receivables and amounts due from related parties.

#### **(iii) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of

#### **(iv) Impairment of financial assets**

The Group recognises an allowance for expected credit losses (ECL's) for all debt instruments not held at fair value through profit or loss. ECL's are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For other receivables and contract assets, the Group applies a simplified approach in calculating ECL's. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Notes to the consolidated financial statements (continued)**

**For the year ended 31 March 2020**

### **1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(i) Financial instruments (continued)**

##### **(v) Financial liabilities - initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as loans and borrowings, or trade and other payables as appropriate.

All financial liabilities are recognised initially at net of directly attributable transactions costs.

The Group's financial liabilities include trade and other payables and non-interest bearing loans.

##### **(vi) Financial liabilities - subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification, as described below.

##### **Loans and borrowings and trade and other payables**

This category is the most relevant to the Group. After initial recognition, interest bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Comprehensive

##### **(vii) Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

##### **(viii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **(j) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

**Notes to the consolidated financial statements (continued)**

**For the year ended 31 March 2020**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Leases (continued)**

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**(k) Trade and other payables**

Trade and other payables are carried at amortised cost. Due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the reporting date that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(l) Non-interest-bearing loans**

The Group's loan with related parties is carried at amortised cost using the effective interest rate method. The loan is for a period of five years but on issuing notice to the Group, the lender can require the Group to repay the loan on demand.

The measurement of an interest free loan at amortised cost using the effective interest rate method generally results in the carrying value of the loan being lower than its principal amount. Given this loan can be required to be repaid, at any time, at the unilateral demand of the lender, the loan has been classified as a current liability. Due to the ability of the loan to be called at unilateral demand of the lender, the liability has not been discounted.

**(m) Contributed equity**

Ordinary shares and additional capital contributions are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items where actual results could differ from those estimates.

**COVID-19**

During March 2020, the World Health Organisation declared the outbreak of COVID-19 as a global pandemic. The outbreak has not had a significant impact on the Company's operations as at 31 March 2020 but, given the evolving nature of the COVID-19 outbreak, the potential impacts on the Company's operations subsequent to year end cannot be reliably estimated.

# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements (continued)

For the year ended 31 March 2020

	Year ended 31 Mar 2020	Year ended 31 Mar 2019
	\$	\$
<b>3 INCOME TAX</b>		
Numerical reconciliation of income tax expense to prima facie tax payable		
(a) Accounting loss before income tax	(910)	-
At Australia's statutory income tax rate of 30%	(273)	
Additional tax expense in respect of prior year	2,130	-
Tax losses not recognised during the year	273	
Total current tax expense	2,130	-
(b) Tax losses		
Unused tax loss for which no deferred tax asset has been recognised	910	-
Potential tax benefit at 30%	273	-
The unused tax loss was incurred and it is not likely that taxable income will be earned in the foreseeable future.		
	31 March 2020	31 March 2019
	\$	\$
<b>4 TRADE AND OTHER PAYABLES</b>		
Trade creditors and accruals	41,801	183,536
Amounts due to related parties (payable on demand)	934,617	1,997,882
	976,418	2,181,418
Amounts due to related parties comprise:		
Adani Rugby Run Trust	2,286	1,188,115
Adani Australia Pty Ltd	192,444	120,498
Mundra Port Pty Ltd	-	11,500
Adani Renewable Asset Trust	-	400
Whyalla Renewable Trust	600	-
Adani Mining Pty Ltd	613,287	550,083
Adani Infrastructure Pty Ltd	126,000	127,286
	934,617	1,997,882
<b>5 NON-INTEREST BEARING LIABILITY</b>		
Current		
Loan from a related party - Adani Mining Pty Ltd (payable on demand)	4,542,205	2,583,205
<b>6 LEASES</b>		

The Group has a lease contract for office accommodation with the rental on-charged to other entities. The lease term is less than 5 years. The Group's obligations under the lease are secured by the lessor's title to the leased asset.

The Group applies the "short term lease" and "lease of low value assets" recognition exemption for leases with terms of 12 months or less and leases of office equipment with low value.



# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements (continued)

For the year ended 31 March 2020

### 6 LEASES (continued)

	\$
(a) Carrying amount of right of use asset recognised and the movement:	
Year ended 31 March 2020	<u>Office accommodation</u>
As at 1 April 2019	-
Additions during the year	1,512,879
Depreciation expense	(203,137)
As at 31 March 2020	<u>1,309,742</u>

### (b) Carrying amount of lease liability and the movements during the year ended 31 March 2020:

As at 1 April 2019	-
Additions during the year	1,512,879
Accretion of interest	5,385
Payments	(216,574)
As at 31 March 2020	<u>1,301,690</u>
Current	353,459
Non current	948,231

### (c) The following are the amounts recognised in profit or loss during the year ended 31 March 2020:

Depreciation expense of right of use asset	203,137
Interest expense on lease liability*	5,385
Total amount recognised in profit or loss	<u>208,522</u>

\* included in General and administration expenses.

Total cash outflows for lease during the year ended 31 March 2020

216,574

### 7 CONTRIBUTED EQUITY

#### (a) Issued and paid up capital

Ordinary shares fully paid	1,000	1,000
Settlers' funds	4,010	4,010
	<u>5,010</u>	<u>5,010</u>

#### (b) Movement in ordinary shares on issue

Opening balance at beginning of financial year	No. 1,000	No. 1,000
Issued during the year	-	-
End of financial year	<u>1,000</u>	<u>1,000</u>

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements (continued)

For the year ended 31 March 2020

### 8 INTERESTS IN OTHER ENTITIES

#### Subsidiaries

The Group's principal subsidiaries at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Ownership interest held by the Group		Place of business / country of incorporation
		31 March 2020	31 March 2019	
Adani Renewable Assets Pty Ltd	Trustee company for Adani Renewable Asset Trust	100%	100%	Australia
Adani Rugby Run Pty Ltd	Trustee company for Adani Rugby Run Trust	100%	100%	Australia
Whyalla Renewable Holdings Pty Ltd	Trustee company for Whyalla Renewable Holdings Trust	100%	100%	Australia
Whyalla Renewables Pty Ltd	Trustee company for Whyalla Renewables Trust	100%	100%	Australia

### 9 RELATED PARTY DISCLOSURES

#### (a) Parent entities

The Group is controlled by the following entities:

Name	Type	Place of incorporation	Ownership interest	
			31 March 2020	31 March 2019
Adani Global Pte Ltd	Immediate parent entity	Singapore	100%	100%
Adani Enterprises Ltd	Ultimate parent entity and controlling party	India	100%	100%

There were no transactions between the Group and Adani Enterprises Ltd, the ultimate parent during the financial year.

#### (b) Subsidiaries

Interests in subsidiaries are set out in note 8.

#### (c) Key management personnel compensation

	Year ended 31 Mar 2020	Year ended 31 Mar 2019
	\$	\$
Total compensation	1,034,568	2,087,532

The amounts disclosed in the table are the amounts recognised as an expense in the Statements of Comprehensive Income of related parties' financial statements during the reporting period related to key management personnel.

#### (d) Transactions with other related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period.

Recharge of expenses	1,419,502	5,614,809
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# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements (continued)

For the year ended 31 March 2020

### 9 RELATED PARTY DISCLOSURES (continued)

#### (e) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting year in relation to transactions with related parties:

	31 March 2020	31 March 2019
	\$	\$
<b>Current receivables</b> (receivable on demand)		
parent entity	-	-
Other related parties	5,123,839	4,698,203
<b>Current payables</b> (payable on demand)		
Other related parties	934,617	1,997,882
<b>(f) Loan from related parties</b>		
Beginning of the year	2,583,205	457,000
Loan advanced	1,959,000	2,126,205
Closing balance	<b>4,542,205</b>	<b>2,583,205</b>
(Refer to note 5 for terms and conditions)		

### 10 PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

<b>Balance sheet</b>		
Current assets	5,506,695	4,762,947
Total assets	6,818,437	4,764,947
Current liabilities	5,869,196	4,763,937
Total liabilities	6,817,427	4,763,937
<b>Owners' equity</b>		
Contributed equity	1,010	1,010
Accumulated losses	-	-
	<b>Year ended 31 Mar 2020</b>	<b>Year ended 31 Mar 2019</b>
	\$	\$
<b>Loss for the year</b>	-	-
<b>Total comprehensive loss</b>	-	-

### 11 COMMITMENTS

	31 March 2020	31 March 2019
	\$	\$
<b>Capital expenditure commitments</b>		
Estimated capital expenditure contracted for at balance date but not provided for		
Capital expenditure	-	62,068
Total capital expenditure commitments	-	<b>62,068</b>

# Adani Renewable Asset Holdings Pty Ltd

## Notes to the consolidated financial statements (continued)

For the year ended 31 March 2020

	31 March 2020	31 March 2019
	\$	\$
<b>12 CONTINGENT LIABILITIES</b>		
Guarantees issued by the banks on behalf of Adani Renewable Asset Holdings Pty Ltd	<b>205,081</b>	<b>-</b>

### 13 SUBSEQUENT EVENTS

There have been no other matters or circumstances that have arisen since the end of the financial year, other than as noted below, that have significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in financial years after the year ended 31 March 2020.

#### **Impact of the Coronavirus (COVID-19) outbreak**

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization.

The Group has not seen a significant impact on its operations and business to date. The outbreak and the response of governments in dealing with the pandemic is interfering with general activity levels within the community and the economy, and therefore may affect the operations of the business. The scale and duration of these developments remain uncertain as at the date of this report; however, have the potential to impact on the Group's financial condition.

It is not possible to estimate the impact of the outbreak's near-term and longer effects or governments' varying efforts to combat the outbreak and support businesses. This being the case, it is not considered practicable nor possible to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time.

No adjustments have been made to financial statements as at 31 March 2020 for the impacts of COVID-19.

# Adani Renewable Asset Holdings Pty Ltd

## Directors' declaration

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In the directors' opinion:

- (a) The consolidated financial statements and notes are in accordance with the *Corporation Act 2001*, including:
  - (i) complying with Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's balance sheet as at 31 March 2020 and of its performance for the year ended on that date; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board



Samir Vora  
Director

Brisbane, 7 May 2020

## Independent Auditor's Report to the Member of Adani Renewable Asset Holdings Pty Ltd

### Opinion

We have audited the financial report of Adani Renewable Asset Holdings Pty Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 31 March 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 31 March 2020 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001 and to meet Section 3CA of the Taxation Administration Act 1953. Our report is intended solely for Adani Renewable Asset Holdings Pty Ltd and its member and should not be used by parties other than Adani Renewable Asset Holdings Pty Ltd and its member. Our opinion is not modified in respect of this matter.

### Emphasis of Matter: Subsequent Events – Impact of the Coronavirus (COVID-19) Outbreak

We draw attention to Note 13 of the financial report which notes the World Health Organisation's declaration of the outbreak of COVID-19 as a global pandemic during March 2020 and how this has been considered by the Directors in the preparation of the financial report. As set out in Note 13, no adjustments have been made to financial report as at 31 March 2020 for the impacts of COVID-19. Our opinion is not modified in respect of this matter.

## Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the Directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Groups 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 report 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Andrew Carrick  
Partner  
Brisbane  
7 May 2020