

# **DHARMESH PARIKH & CO.**

## **CHARTERED ACCOUNTANTS**

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T.V Tower, Thaltej,  
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

### **INDEPENDENT AUDITOR'S REPORT**

#### **To the Members of ADANI RESOURCES PRIVATE LIMITED**

##### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of Adani Resources Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

##### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

##### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

##### **Opinion**

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



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## INDEPENDENT AUDITOR'S REPORT (Continue) To the Members of ADANI RESOURCES PRIVATE LIMITED

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad  
Date : 02/05/2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

A handwritten signature in black ink, appearing to read "D. A. Parikh", written over a horizontal line.

**D. A. Parikh**  
Partner  
Membership No. 045501

# DHARMESH PARIKH & CO.

## CHARTERED ACCOUNTANTS

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### **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT** **RE: ADANI RESOURCES PRIVATE LIMITED**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2016, we report that:

- (i) The company does not have any Fixed Assets. Accordingly, the provisions of paragraph 3 (i) (a) to (c) of the Order are not applicable.
- (ii) The Company being in the service industry is primarily rendering man power supply services and hence it does not carry any Inventory. Accordingly the provisions of paragraph 3 (ii) of the Order is not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanations given to us and representations made by the Management, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities generally. As explained to us, the Company did not have any dues on account of employees' state insurance, customs duty and duty of excise.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred to above, were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.  
  
(b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.





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## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT (Continue)**

**RE: ADANI RESOURCES PRIVATE LIMITED**

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad  
Date : 02/05/2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**D. A. Parikh**  
Partner  
Membership No. 045501

# **DHARMESH PARIKH & CO.**

## **CHARTERED ACCOUNTANTS**

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### **ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI RESOURCES PRIVATE LIMITED**

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#### **Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

We have audited the internal financial controls over financial reporting of the Company as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

#### **Management's Responsibilities for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT (Continue) RE: ADANI RESOURCES PRIVATE LIMITED

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

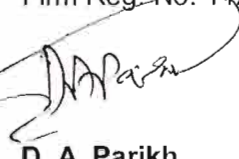
### Opinion

In our opinion, though the Company has not done any significant transactions during the year, it has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad  
Date : 02/05/2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

  
**D. A. Parikh**  
Partner  
Membership No. 045501

# ADANI RESOURCES PRIVATE LIMITED

Balance Sheet as at 31 March 2016

		(Amt in Rupees)	
	Notes	As at 31-Mar-2016	As at 31-Mar-2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>a) Shareholders' Funds</b>			
Share Capital	3	1,00,000	1,00,000
Reserves and Surplus	4	10,76,601	7,31,242
Money Received Against Share Warrants		-	-
		<b>11,76,601</b>	<b>8,31,242</b>
<b>b) Share Application Money Pending Allotment</b>			
		-	-
<b>c) Non-Current Liabilities</b>			
Long Term Borrowings	5	-	6,70,201
Other Long Term Liabilities		-	-
Long Term Provisions	6	57,55,560	21,88,116
		<b>57,55,560</b>	<b>28,58,317</b>
<b>d) Current Liabilities</b>			
Short Term Borrowings		-	-
Trade Payables	7	2,16,048	11,99,260
Other Current Liabilities	8	8,76,902	6,22,369
Short Term Provisions	9	6,09,931	37,389
		<b>17,02,881</b>	<b>18,59,018</b>
<b>Total</b>		<b>86,35,043</b>	<b>55,48,577</b>
<b>II. ASSETS</b>			
<b>a) Non-Current Assets</b>			
Fixed Assets		-	-
Non-Current Investments		-	-
Deferred Tax Assets	10	4,984	3,22,465
Long Term Loans & Advances	11	17,78,973	10,47,061
Other Non-Current Assets		63,65,491	22,25,505
		<b>81,49,448</b>	<b>35,95,031</b>
<b>b) Current Assets</b>			
Current Investments		-	-
Inventories		-	-
Trade Receivables	12	16,452	10,74,392
Cash and Cash Equivalents	13	4,51,534	8,52,469
Short Term Loans & Advances	14	17,609	26,685
Other Current Assets		-	-
		<b>4,85,595</b>	<b>19,53,546</b>
<b>Total</b>		<b>86,35,043</b>	<b>55,48,577</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

**D. A. Parikh**  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 02/05/2016



For and on behalf of the board of directors of  
**Adani Resources Private Limited**

**Mahesh Kumar Thapar**  
Director  
DIN : 01374937

Place : Ahmedabad  
Date : 02/05/2016

**Vinay Prakash**  
Director  
DIN : 03634648



# ADANI RESOURCES PRIVATE LIMITED

Statement of Profit and Loss for the year ended on 31 March 2016

		(Amt in Rupees)	
	Notes	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
<b>a) Income</b>			
Revenue from Operations (net of service tax)			
Manpower Services		5,57,03,310	4,32,96,525
Other Income			
Interest Income on IT Refund		30,368	3,130
<b>Total Revenue</b>		<b>5,57,33,678</b>	<b>4,32,99,655</b>
<b>b) Expenses</b>			
Cost of Materials Consumed		-	-
Purchases of Stock-In-Trade		-	-
Changes in Inventories		-	-
Employee Benefits Expense	15	5,48,50,395	4,24,14,168
Finance Costs	16	89,159	79,711
Depreciation and Amortisation Expense		-	-
Other Expenses	17	1,29,618	2,05,922
<b>Total Expenses</b>		<b>5,50,69,172</b>	<b>4,26,99,801</b>
<b>c) Profit / (Loss) Before Exceptional &amp; Extra-Ordinary Items and Tax</b>		<b>6,64,506</b>	<b>5,99,854</b>
Exceptional Items		-	-
Extra-Ordinary Items		-	-
<b>d) Profit / (Loss) Before Tax</b>		<b>6,64,506</b>	<b>5,99,854</b>
<b>e) Tax Expense</b>			
Current Tax		1,26,634	2,28,276
MAT Credit Entitlement		(1,26,634)	-
Deferred Tax		3,17,481	(42,921)
Adjustment of Earlier Years		1,666	-
<b>Total Tax Expenses</b>		<b>3,19,147</b>	<b>1,85,355</b>
<b>f) Profit / (Loss) For The Year</b>		<b>3,45,359</b>	<b>4,14,499</b>
<b>g) Earning per Equity Share (Face value of Rs.10 each)</b>	22		
Basic		34.54	41.45
Diluted		34.54	41.45
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

**D. A. Parikh**  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 02/05/2016



For and on behalf of the board of directors of  
**Adani Resources Private Limited**

**Mahesh Kumar Thapar**  
Director  
DIN : 01374937

Place : Ahmedabad  
Date : 02/05/2016

**Vinay Prakash**  
Director  
DIN : 03634648



**ADANI RESOURCES PRIVATE LIMITED**

Cash Flow Statement for the year ended on 31 March 2016

	(Amt in Rupees)	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) Before Tax	6,64,506	5,99,854
<b>Adjustment on account of :</b>		
Non-Cash Items to Reconcile Net Cash Flows	-	-
Interest Income on IT Refund	(30,368)	(3,130)
Finance Costs	89,159	79,711
Operating Profit / (Loss) Before Working Capital Changes	<b>7,23,297</b>	<b>6,76,435</b>
<b>Movements in Working Capital :</b>		
Decrease / (Increase) in Non-current Assets	(41,39,986)	(6,21,599)
Decrease / (Increase) in Current Assets	10,67,017	(1,29,701)
Increase / (Decrease) in Non-current Liabilities	35,67,444	6,26,373
Increase / (Decrease) in Current Liabilities	(1,56,136)	3,55,121
<b>Cash Flow from Operations</b>	<b>10,61,636</b>	<b>9,06,629</b>
Less : Direct Taxes Paid	7,33,578	8,23,949
<b>Net Cash Flow From Operating Activities</b>	<b>3,28,058</b>	<b>82,680</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income on IT Refund	30,368	3,130
<b>Net Cash Flow From Investing Activities</b>	<b>30,368</b>	<b>3,130</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(6,70,201)	-
Finance Costs paid	(89,159)	(9,510)
<b>Net Cash Flow From Financing Activities</b>	<b>(7,59,360)</b>	<b>(9,510)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(4,00,935)</b>	<b>76,300</b>
Cash & Cash Equivalents at the beginning of the year	8,52,469	7,76,169
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>4,51,534</b>	<b>8,52,469</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

**D. A. Parikh**  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 02/05/2016



For and on behalf of the board of directors of  
**Adani Resources Private Limited**

**Mahesh Kumar Thapar**  
Director  
DIN : 01374937

Place : Ahmedabad  
Date : 02/05/2016

**Vinay Prakash**  
Director  
DIN : 03634648

**1 Nature of Operation**

Adani Resources Private Limited has been incorporated under the Companies Act, 1956. The company is in the business of identifying, searching, prospecting the availability of all categories of personnel with regard to their qualifications, experiences, personal skills in the variety of fields and markets of human resources ranging from support level personnel and calibers required and generally sought from the HR market by Corporate(s).

**2 Summary of Significant Accounting Policies****a) Basis of Preparation**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards notified under section 211(3C) of the Companies Act, 1956 ("the 1956 Act"), which continues to be applicable as per section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the 1956 Act/ 2013 Act, as applicable.

The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

**c) Current & Non-Current Classification**

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

**d) Cash And Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**e) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**f) Revenue Recognition**

Income from services rendered is recognised in line with the terms of the agreement, as and when work is performed.

**g) Employee Benefits**

Employee Benefits include provident fund, gratuity and compensated absences.

**A) Short Term Employees Benefits**

Short term employees benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

**B) Post Employment Benefits****(I) Defined Benefit Plans :**

Gratuity with respect to defined benefit schemes are accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date.

Actuarial gain and losses in respect of post employment and other long term benefits are charged as per actuarial assumptions in the Statement of Profit and Loss in the period in which they arise.

**(II) Defined Contribution Plans :**

a) Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

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b) Company's contribution to Provident Fund, which is defined contribution plans determined under the relevant statute is charged to the Statement of Profit and Loss when incurred.

c) Termination benefits, if any, are recognised as an expense as and when incurred.

#### **h) Borrowing Costs**

Borrowing costs are currently charged to revenue as the company is not engaged in acquisition or construction of any qualifying asset over which these costs can be capitalised.

#### **i) Segment Accounting**

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the company has determined its business segment as Manpower Services. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

#### **j) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party disclosures" prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended) has been set out in a separate note. Related Parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the Company.

#### **k) Earnings Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

#### **l) Taxes on Income**

##### **I) Deferred Taxation**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

##### **II) Current Taxation**

Current tax charge reflects provision for income tax based on the taxable income of the company after considering local tax laws as applicable for relevant assessment years. The current tax charge includes Minimum Alternate Tax (MAT) determined u/s 115JB of the Income Tax Act, 1961, where applicable.

##### **III) MAT Credit**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

#### **m) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **n) Expenditure**

Expenses are booked net of taxes recoverable, where applicable.

#### **o) CENVAT Credit**

The CENVAT credit available on input of taxable services is adjustable against service tax liability applicable on providing output taxable service.



# ADANI RESOURCES PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2016

## p) Applicability of other Accounting Standards

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

## 3 Share Capital

### Authorised shares

10,000 Equity shares of Rs. 10/- each

### Issued, subscribed fully paid-up shares

10,000 Equity shares of Rs. 10/- each fully paid

### Total issued, subscribed and fully paid-up share capital

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
1,00,000	1,00,000
1,00,000	1,00,000
1,00,000	1,00,000

## a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
Equity Shares				
At the beginning of the year	10,000	1,00,000	10,000	1,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

## b. Terms / rights attached to equity shares

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company.

## c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
Equity Shares by Holding Company				
Adani Enterprise Limited	10,000	1,00,000	10,000	1,00,000
(Refer note 23(a))				
	10,000	1,00,000	10,000	1,00,000

## d. Details of shareholders holding more than 5% shares in the company

	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	% holding in the class	Numbers	% holding in the class
Equity Shares by Holding Company				
Adani Enterprise Limited	10,000	100%	10,000	100%
(together with its nominees)				
(Refer note 23(a))				
	10,000	100%	10,000	100%

## 4 Reserves and Surplus

### Surplus / (deficit) in the statement of profit and loss

Balance as per last financial statements

Profit for the year

Net surplus / (deficit)

Total Reserves and Surplus

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
7,31,242	3,16,743
3,45,359	4,14,499
10,76,601	7,31,242
10,76,601	7,31,242



**ADANI RESOURCES PRIVATE LIMITED**

Notes to Financial Statements for the year ended 31 March 2016

**5 Long Term Borrowings**

Loan from Holding Company

**The above amount includes**

- Secured borrowings
- Unsecured borrowings

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
-	6,70,201
-	<b>6,70,201</b>
-	-
-	6,70,201
-	<b>6,70,201</b>

**Note :**

Unsecured Corporate Loan was received from the holding company and it carried an interest rate of 13% p.a. which has been repaid during the year.

**6 Long Term Provisions**

Provision for Leave Encashment  
Provision for Gratuity

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
12,94,843	9,08,159
44,60,717	12,79,957
<b>57,55,560</b>	<b>21,88,116</b>

**Note :**

Current and non-current classification is done based on actuarial valuation certificate.

**7 Trade Payables**

Accrual for Employees  
Other Payables

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
1,57,389	11,32,007
58,659	67,253
<b>2,16,048</b>	<b>11,99,260</b>

**8 Other Current Liabilities**

Statutory Obligations

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
8,76,902	6,22,369
<b>8,76,902</b>	<b>6,22,369</b>

**9 Short Term Provisions**

Provision for Leave Encashment  
Provision for Gratuity

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
6,03,850	32,653
6,081	4,736
<b>6,09,931</b>	<b>37,389</b>

**Note :**

Current and non-current classification is done based on actuarial valuation certificate.

**10 Deferred Tax Assets****Deferred Tax Liabilities**

Depreciation

**Deferred Tax Assets**

In respect of disallowances under Income Tax Act

**Net Deferred Tax Assets**

Amt in Rs.	
As at 31-Mar-2016	As at 31-Mar-2015
-	-
4,984	3,22,465
<b>4,984</b>	<b>3,22,465</b>

In accordance with the Accounting standard 22, the deferred tax liability of Rs. 3,17,481/- (Previous Year deferred tax asset of Rs. 42,921/-) for the year has been recognised in the Statement of Profit & Loss.

**ADANI RESOURCES PRIVATE LIMITED**

Notes to Financial Statements for the year ended 31 March 2016

**11 Long Term Loans & Advances**  
(Unsecured, Considered Good)

	Amt in Rs.	
	As at 31-Mar-2016	As at 31-Mar-2015
Advance Payment of Taxes (net of provision)	16,52,339	10,47,061
MAT Credit Receivable	1,26,634	-
	<b>17,78,973</b>	<b>10,47,061</b>

**12 Trade Receivables**  
(Unsecured, Considered Good)

	Amt in Rs.	
	As at 31-Mar-2016	As at 31-Mar-2015
Outstanding for a period exceeding six months from the date they are due for payment	-	32,235
Others	16,452	10,42,157
	<b>16,452</b>	<b>10,74,392</b>

**13 Cash and Cash Equivalents**

	Amt in Rs.	
	As at 31-Mar-2016	As at 31-Mar-2015
Cash-In-Hand	-	-
<b>Balance with banks</b>		
In current accounts	4,51,534	8,52,469
	<b>4,51,534</b>	<b>8,52,469</b>

**14 Short Term Loans & Advances**  
(Unsecured, Considered Good)

	Amt in Rs.	
	As at 31-Mar-2016	As at 31-Mar-2015
Advances to Employees	-	6,000
Prepaid Insurance	14,186	20,685
Balance with Government Authorities	3,423	-
	<b>17,609</b>	<b>26,685</b>

**15 Employee Benefits Expense**  
(Refer Note 20)

	Amt in Rs.	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
Salaries & Bonus	5,01,83,463	3,84,77,815
Contribution to Provident & Other Funds	37,39,012	30,77,993
Staff Welfare Expenses	9,27,920	8,58,360
	<b>5,48,50,395</b>	<b>4,24,14,168</b>

**16 Finance Costs**

	Amt in Rs.	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
Bank Charges	2,032	1,711
Interest Expense	87,127	78,000
	<b>89,159</b>	<b>79,711</b>



**ADANI RESOURCES PRIVATE LIMITED**

Notes to Financial Statements for the year ended 31 March 2016

**17 Other Expenses**

	Amt in Rs.	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
Stationery & Printing Expenses	8,400	12,676
Communication Expenses	-	3,400
Legal & Professional Fees	20,300	30,333
Travelling & Conveyance	51,992	1,12,707
Payment to Auditors		
Statutory Audit Fees	25,000	25,000
Tax Audit Fees	12,563	12,500
Other Attestation Services	11,363	9,306
	<b>1,29,618</b>	<b>2,05,922</b>

**18 Contingent Liabilities & Commitments  
(to the extent not provided for)**

	Amt in Rs.	
	As at 31-Mar-2016	As at 31-Mar-2015
Contingent Liabilities	-	-
Commitments	-	-
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for		
	-	-

**19 Disclosures under MSMED Act**

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**20 Retirement Benefits**

- (a) Liability in respect of Provident Fund is provided for on actual contribution basis.
- (b) Liabilities in respect of Gratuity and Leave Encashment are determined based on actuarial valuation done by actuary as at the balance sheet date in line with the Revised AS-15 issued under the Companies (Accounting Standards) Rules, 2006. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	Gratuity	
	As at 31-Mar-2016	As at 31-Mar-2015
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current Service Cost	8,69,606	6,16,757
Interest Cost	1,02,995	52,017
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses	22,99,138	(34,299)
	<b>32,71,739</b>	<b>6,34,475</b>
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>		
Present Value of Obligations	44,66,798	12,84,693
Fair Value of Plan Assets	-	-
Net Asset / (Liability)	<b>(44,66,798)</b>	<b>(12,84,693)</b>



# ADANI RESOURCES PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2016

Particulars	Gratuity	
	As at 31-Mar-2016	As at 31-Mar-2015
<b>Change in Obligations during the year</b>		
Present Value of Obligations at the beginning of the year	12,84,693	6,50,218
Current Service Cost	8,69,606	6,16,757
Interest Cost	1,02,995	52,017
Benefits paid	(89,634)	-
Actuarial (Gains) / Losses	22,99,138	(34,299)
Present Value at the end of the year	<b>44,66,798</b>	<b>12,84,693</b>
<b>Experience Adjustment</b>		
(Gain) / Loss for Plan Liabilities	3,43,775	(1,40,388)
Gain / (Loss) for Plan Assets	-	-
<b>Actuarial Assumptions</b>		
Discount Rate	7.90%	8.00%
Expected Rate of Return on Plan Assets	NA	NA
Mortality / Pre-retirement	IALM 06-08 Ultimate	IALM 06-08 Ultimate
Turnover Rate	1.00%	2.00%
Rate of Escalation in Salary (p.a.)	8.00%	5.00%

(c) As defined benefit plans of both i.e. Gratuity and Leave Encashment are non-funded, no data is presented as to fair value of plan assets.

(d) Disclosures for Gratuity as required under Para 120(n) of AS 15 to the extent available for past three years are as under.

Particulars	2014-15	2013-14	2012-13
Obligations at the end of the year	12,84,693	6,50,218	1,58,192
Plan assets at the end of the year	-	-	-
Net Assets / (Liability) at the end of year	(12,84,693)	(6,50,218)	(1,58,192)
<b>Experience Adjustment on:</b>			
(Gain) / Loss for Plan Liabilities	(1,40,388)	5,605	-
Gain / (Loss) for Plan Assets	-	-	-

(e) The per annum rate of escalation in salary considered in actuarial valuation is worked out after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(f) The company has provided for expenses of Gratuity and Leave Encashment on the basis of actuarial valuation. These expenses are recoverable from customer as and when they become payable to the employees. Hence, these expenses are classified as "Other Non-Current Assets" and consequently do not have any impact on statement of Profit & Loss.

## 21 Related Parties

Holding Company	:	Adani Enterprises Limited (Refer note 23(a))
Subsidiary Company	:	Nil
Fellow Subsidiaries & Associate	:	Nil
(with transactions during the year)	:	
Key Management Personnel	:	Mr. Gurjit Singh Bhatia Mr. Vinay Prakash Mr. Mahesh Kumar Thapar





# ADANI RESOURCES PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2016

Information in respect of transactions with Related Parties	Amt in Rs. 31-Mar-2016	Amt in Rs. 31-Mar-2015
<u>Interest Expense</u>		
Holding Company : Adani Enterprises Limited	87,127	78,000
<u>Unsecured Loan Balance</u>		
Holding Company : Adani Enterprises Limited	-	6,70,201
<u>Manpower Services provided</u>		
Holding Company : Adani Enterprises Limited	5,57,03,310	4,32,96,525
<u>Balance Receivable / (Payable)</u>		
Holding Company : Adani Enterprises Limited	16,452	10,74,392

## 22 Earning Per Share (EPS)

	Amt in Rs.	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
Profit / (Loss) for calculation of basic and diluted EPS	3,45,359	4,14,499
Weighted average number of equity shares for calculating Basic EPS	10,000	10,000
Weighted average number of equity shares for calculating Diluted EPS	10,000	10,000
Face value of equity shares	10	10
Basic Earning Per Share (in Rupees)	34.54	41.45
Diluted Earning Per Share (in Rupees)	34.54	41.45

## 23 Other Disclosures

- (a) W.e.f. 1-Apr-2015, erstwhile holding company Adani Mining Private Limited has been merged with ultimate holding company Adani Enterprises Limited. Accordingly, all references to Adani Mining Private Limited in financials and notes to accounts have been replaced with Adani Enterprises Limited.
- (b) In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than Fixed Assets and Non-Current Investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

### (c) Other Statutory Information :

	Amt in Rs.	
	For the year ended 31-Mar-2016	For the year ended 31-Mar-2015
Value of imports calculated on CIF basis	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil
Earnings in Foreign Currency	Nil	Nil

## 24 Previous Year Comparatives

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest rupee.

As per our report of even date

For **Dharmesh Parikh & Co.**

Chartered Accountants

Firm Registration Number : 112054W

**D. A. Parikh**

Partner

Membership No. 045501

Place : Ahmedabad

Date : 02/05/2016



For and on behalf of the board of directors of

**Adani Resources Private Limited**

**Mahesh Kumar Thapar**

Director

DIN : 01374937

Place : Ahmedabad

Date : 02/05/2016

**Vinay Prakash**

Director

DIN : 03634648