

**Adani Global Limited**  
**Financial Statements**  
**For the year ended 31 March 2017**

**ADANI GLOBAL LIMITED****FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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## ADANI GLOBAL LIMITED

## CORPORATE INFORMATION

		<i>Date of Appointment</i>
<b>DIRECTORS</b>	: Giandeo Reemul Theyvarajen Ponumbalum Pranav Vinod Adani Pranav Seventi Vora	16 <sup>th</sup> November 2006 16 <sup>th</sup> November 2006 31 <sup>st</sup> May 2011 02 <sup>nd</sup> February 2012
<b>ADMINISTRATOR &amp; CORPORATE SECRETARY</b>	: <b>Trustlink International Limited</b> Suite 501, St James Court, St Denis Street, Port Louis, Mauritius	
<b>REGISTERED OFFICE</b>	: <b>Trustlink International Limited</b> Suite 501, St James Court, St Denis Street, Port Louis, Mauritius	
<b>AUDITORS</b>	: <b>Nolands (Mauritius)</b> 2 River Court, St Denis Street, Port Louis, Mauritius	
<b>BANKERS</b>	: <b>Bank Of Baroda</b> Dubai Main P.O Box 3162, Govt of Dubai Real Estate Building, Bur Dubai, U.A.E  <b>SBI International Limited</b> 7 <sup>th</sup> Floor Harbour Front Building Port-Louis Mauritius	

**ADANI GLOBAL LIMITED****ANNUAL REPORT**

The directors present their report, together with the audited financial statements of **ADANI GLOBAL LIMITED** (the "Company") for the financial year ended 31 March 2017.

**PRINCIPAL ACTIVITY**

The Company was incorporated in Mauritius on 21<sup>st</sup> January 1997 and its principal activity is that of international trading and investment holding under a Category 1 Global Business License, issued by the Financial Services Commission, Mauritius.

**RESULTS AND DIVIDENDS**

The Company's loss for the year ended 31 March 2017 is **USD 6,308** (2016: *Profit USD 43,293*).

The directors do not propose the payment of a dividend for the year under review (2016: *USD Nil*).

The Directors are confident of the Company's bright future and the financial stability in the years to come.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements for each financial year, which reflect fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- State whether the applicable provisions of the Mauritius Companies Act 2001 have been complied with in the preparation of the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

**DIRECTORS' REMUNERATION AND BENEFITS**

The present directors did not receive any remuneration during the year (2016: *USD Nil*).

**AUDITORS**

The auditors, **Nolands (Mauritius)** have expressed their willingness to continue in office and a resolution concerning his re-appointment will be proposed in the Annual Meeting.

Fees payable to the auditors for the year under review are entirely for audit services and are as follows:

	2017 USD	2016 USD
<b>Audit fees</b>		
Nolands (Mauritius)	1,250	1,250
	<u>1,250</u>	<u>1,250</u>

Signed on behalf of the Board of Directors

Date: **17 MAY 2017**

**CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

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I certify to the best of my knowledge and belief that I have filed with the Registrar of Companies all such returns as are required of **ADANI GLOBAL LIMITED**, under the Mauritius Companies Act 2001 during the financial year ended 31 March 2017.

  
for Trustlink International Limited  
Corporate secretary



**Registered address:**

Suite 501,  
St James Court,  
St Denis Street,  
Port Louis,  
Mauritius

**Date:** 17 MAY 2017

## INDEPENDENT AUDITORS' REPORT

**TO THE SHAREHOLDERS OF ADANI GLOBAL LIMITED**

## Opinion

We have audited the accompanying financial statements of **ADANI GLOBAL LIMITED** (the "Company") which comprise of the statement of financial position as at 31 March 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended as set out on pages 7 to 10, and a summary of significant accounting policies and other explanatory information as set out on pages 11 to 23.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2017 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and as modified by exemption for non-consolidation provided by the Mauritius Companies Act 2001 for companies holding a Category I Business Licence which are wholly or virtually owned subsidiary of any company, and comply with the Mauritius Companies Act 2001.

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.



**INDEPENDENT AUDITORS' REPORT****TO THE SHAREHOLDERS OF ADANI GLOBAL LIMITED (CONTINUED)****Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

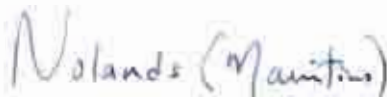
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

**Report on other legal and regulatory requirements**

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- We have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- We have obtained all the information and explanations that we required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

This report is made solely for the Company's shareholder. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in our auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, for our audit work, for this report, or for the opinion we have formed.



**Nolands (Mauritius)**  
*Chartered Accountants*  
2 River Court,  
St Denis Street,  
Port Louis,  
Mauritius



**Khemraj Rajkumarsingh** FCA FCCA  
Managing Partner  
Licensed by FRC

Date: **17 MAY 2017**

## ADANI GLOBAL LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2017

	<i>Notes</i>	<b>2017</b> <b>USD</b>	<b>2016</b> <b>USD</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiary companies	6	44,957,594	44,957,594
Available-for-sale financial assets	7	1,258,087	1,258,087
<b>Total non-current assets</b>		<b>46,215,681</b>	<b>46,215,681</b>
<b>Current assets</b>			
Trade receivables	8	-	4,287,639
Cash and cash equivalents		465,116	468,170
<b>Total current assets</b>		<b>465,116</b>	<b>4,755,809</b>
<b>TOTAL ASSETS</b>		<b>46,680,797</b>	<b>50,971,490</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	9	6,400,000	6,400,000
Revenue deficit		(4,488,753)	(4,482,445)
<b>Total equity</b>		<b>1,911,247</b>	<b>1,917,555</b>
<b>Non-current liability</b>			
Borrowings	10	44,767,050	44,767,050
<b>Current liabilities</b>			
Other payables	11	2,500	4,286,524
Taxation	12	-	361
<b>Total current liabilities</b>		<b>2,500</b>	<b>4,286,885</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>46,680,797</b>	<b>50,971,490</b>

Approved by the Board of Directors on **17 MAY 2017** and signed on its behalf by:



Director



Director



## ADANI GLOBAL LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2017

	<i>Note</i>	<b>2017 USD</b>	<b>2016 USD</b>
<b>REVENUE</b>			
Turnover		-	4,287,639
Dividend income		-	49,950
Interest income		<b>463</b>	496
		<b>463</b>	<b>4,338,085</b>
<b>COST OF SALES</b>		<b>-</b>	<b>4,284,024</b>
<b>OPERATING PROFIT</b>		<b>463</b>	<b>54,061</b>
<b>EXPENSES</b>			
Administration fees		<b>3,575</b>	7,100
Audit and professional fees		<b>2,025</b>	2,025
Bank charges		<b>1,171</b>	1,282
		<b>6,771</b>	<b>10,407</b>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(6,308)</b>	<b>43,654</b>
Taxation	<i>12</i>	-	(361)
<b>(LOSS)/PROFIT FOR THE YEAR</b>		<b>(6,308)</b>	<b>43,293</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>		<b>(6,308)</b>	<b>43,293</b>

*The notes on pages 11 to 23 form an integral part of these financial statements.*

## ADANI GLOBAL LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017

	Stated capital USD	Preference shares capital USD	Revenue deficit USD	Total equity USD
At 1 <sup>st</sup> April 2015	6,400,000	36,741,500	(4,525,738)	38,615,762
Redemption of Preference shares	-	(36,741,500)	-	(36,741,500)
Total comprehensive income for the year	-	-	43,293	43,293
At 31 <sup>st</sup> March 2016	6,400,000	-	(4,482,445)	1,917,555
Total comprehensive loss for the year	-	-	(6,308)	(6,308)
At 31 <sup>st</sup> March 2017	6,400,000	-	(4,488,753)	1,911,247

*The notes on pages 11 to 23 form an integral part of these financial statements.*

## ADANI GLOBAL LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017

	2017 USD	2016 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(6,308)	43,654
<i>Adjustment for:</i>		
Interest income	(463)	(496)
<b>Operating (loss)/profit before working capital changes</b>	<b>(6,771)</b>	<b>43,158</b>
Decrease/(increase) in trade receivables	4,287,639	(4,287,639)
(Decrease)/increase in trade and other payables	(4,284,024)	4,284,024
<b>Cash absorbed/(used in) by operations</b>	<b>3,615</b>	<b>(3,615)</b>
Tax paid	(361)	-
<b>Net cash flows from/(used in) operating activities</b>	<b>3,254</b>	<b>(3,615)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	463	496
Acquisition of investment in subsidiary company	-	(8,000,000)
Redeemable preference shares	-	(36,741,500)
<b>Net cash flows from/(used in) investing activities</b>	<b>463</b>	<b>(44,741,996)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Redeemable preference shares payment	-	44,767,050
<b>Net cash flows generated from financing activity</b>	<b>-</b>	<b>44,767,050</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,054)</b>	<b>65,589</b>
Cash and cash equivalents at beginning of year	468,170	402,581
<b>Cash and cash equivalents at end of the year</b>	<b>465,116</b>	<b>468,170</b>

*The notes on pages 11 to 23 form an integral part of these financial statements.*

**ADANI GLOBAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017****1. General information**

**ADANI GLOBAL LIMITED** was incorporated in Mauritius on 21<sup>st</sup> January 1997 as a Global Business Licence 1. The Company's registered office is at Suite 501, St James Court, St Denis Street, Port-Louis, Mauritius.

The principal activity of the Company is that of international trading and investment holding under a Category 1 Global Business License, issued by the Financial Services Commission, Mauritius.

The financial statements of the Company are expressed in United States Dollar (USD).

**2. Statement of compliance with International Financial Reporting Standards (IFRS)**

The financial statements are prepared in accordance with IFRS, which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee (IASC) that remain in effect.

The preparation of financial statements in accordance with IFRS requires the directors to make estimates and assumptions that could affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**3. Changes in accounting policies and disclosures*****Adoption of new and revised International Financial Reporting Standards (IFRS)***

In the current year, the Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting year beginning on and after 1 January 2017.

***New and revised Standards and Interpretations in issue but not yet effective***

At the date of authorisation of these financial statements, the following relevant IFRSs were in issue but effective on annual periods beginning on or after the respective dates as indicated:

IAS 7	Statement of Cash Flows – Amendments as result of the Disclosure initiative (effective 1 January 2017)
IAS 12	Income Taxes – Amendments regarding the recognition of deferred tax assets for unrealised losses (effective 1 January 2017)
IAS 39	Financial Instruments: Recognition and Measurement – Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of portfolio of financial assets or financial liabilities when IFRS 9 is applied and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

**3. Changes in accounting policies and disclosures (continued)**

*New and revised Standards and Interpretations in issue but not yet effective (continued)*

IFRS 7	Financial Instruments: Disclosures – Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures – Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
IFRS 9	Financial Instruments – Finalized version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
IFRIC 22	Foreign Currency Translations and Advance Consideration (effective 1 January 2018)

The directors anticipate that these IFRSs will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the adoption of these amendments.

**4. Summary of accounting policies**

The principal accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company, except for changes in accounting policies as disclosed in Note 3.

*(a) Basis of preparation*

The financial statements are prepared under the historical cost convention, except as modified by fair values of financial instruments carried on the reporting date.

*(b) Functional and presentation currency*

These financial statements are presented in United States Dollar (“USD”) which is the Company’s functional currency. All financial information presented has been rounded to the nearest USD.

*(c) Use of estimates and judgements*

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 5.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

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**4. Summary of accounting policies (continued)**

***(d) Revenue Recognition***

Revenue is recognised when it can be reliably measured and it is probable that the economic benefits associated with the transaction will flow to the Company. All revenues are stated net of value added taxes and trade discounts, if applicable.

Revenue earned by the Company is recognised on either of the following basis:

- (i) Interest income is accounted for on an accrual basis.

***(e) Expense recognition***

Expenses are accounted for in the profit or loss on the accrual basis.

***(f) Investment in subsidiary***

The Company controls an entity when it 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 over the entity.

In the Company's financial statements, investments in subsidiaries are stated at cost less impairment. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the profit or loss. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

***(g) Subsidiary undertakings***

Subsidiary undertakings are those entities in which the Company controls an investee if all three of the following elements are present:

- power over the investee,
- exposure to variable returns from the investee, and
- the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights,

- Substantive potential voting rights held by the Company and by other parties,
- Other contractual arrangements, and
- Historic patterns in voting attendance.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

**4. Summary of accounting policies (continued)**

***(h) Available for sale investment***

The Company classified the investments, other than investments in subsidiary, associate and trading investments, as available for sale. Listed investment are stated at the market price of the securities. Unlisted investments for which a reliable fair value measurement is not available is recorded at cost less impairment, if any. Any permanent diminution in value is recognised by reducing the cost of the realisable value and charging the difference to the statement of profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss.

***(i) Consolidated financial statements***

The Company has taken advantage of the exemption provided by the Mauritius Companies Act 2001 allowing a wholly owned or virtually owned parent company holding a Category 1 Global Business licence not to present consolidated financial statements. The Company's ultimate holding entity is Adani Enterprises Limited, an entity established in the India.

The financial statements are therefore separate financial statements which contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group.

The directors are of the opinion that preparation of consolidated financial statements that comply with International Financial Reporting Standards will not be useful to its parent, and ultimate holding entity.

***(j) Financial instruments***

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

Financial instruments are initially recorded at cost, which include transaction costs. Subsequent to initial recognition, they are measured as set out below.

***(i) Financial assets***

***Receivables***

Receivables are financial assets with fixed or determined payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, minus any deduction (directly or through the use of an allowance account) for impairment or uncollectibility.

***Cash and cash equivalents***

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

**4. Summary of accounting policies (continued)**

**(j) Financial instruments (continued)**

**(i) Financial liabilities and equity instruments issued by the Company**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

**Equity instruments**

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

**Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

**(k) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

**(l) Taxation**

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss,
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

**4. Significant accounting policies (continued)**

*(l) Taxation (continued)*

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

*(m) Related parties*

Related parties are individuals and companies where the individuals or companies have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

**5. Critical accounting estimates and judgements**

The following are the management's judgements made in applying the accounting policies of the Company that have the most significant effect on the financial statements. Critical estimation uncertainties are described in Note 4(c).

*(i) Impairment of financial assets*

Management assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial assets that can be reliably estimated.

**6. Investment in subsidiary companies**

				2017 USD	2016 USD
<i>Name of subsidiary companies</i>	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>Proportion of ownership</i>		
Adani Global FZE	U. A. E.	Ordinary	100%	4,223,247	4,223,247
Adani Global Pte Ltd	Singapore	Ordinary	100%	40,734,347	27,600,000
Adani Bunkering Pte. Ltd	Singapore	Ordinary	100%	-	13,134,347
				<b>44,957,594</b>	<b>44,957,594</b>

As on 1.4.2016, Adani Global Limited (AGL) owns 100% equity shares of Adani Global Pte Limited (AGPTE), Singapore and 100% equity shares of Adani Bunkering Pte Ltd (ABPTE) Singapore. On 1st January 2017 ABPTE amalgamated into AGPTE wherein AGPTE has not issued any equity shares to the existing shareholders of ABPTE.

Such scheme of arrangement was approved by ACRA (ICRA) Singapore. Consequently, in the books of AGL, amount of investment in AGPTE has gone up from USD 27,600,000 to USD 40,734,347. The increase of USD 13,134,347 is on account of investment in ABPTE USD 10,000,000 and premium on investment in ABPTE USD 3,134,347.

## ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

## 7. Available-for-sale in financial assets

				2017 USD	2016 USD
<i>Name of Investee companies</i>	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>Proportion of ownership</i>		
PT Adani Global	Indonesia	Equity	5%	1,250,000	1,250,000
PT. Adani Global Coal Trading	Indonesia	Equity	5%	8,087	8,087
				<u>1,258,087</u>	<u>1,258,087</u>

## 8. Trade receivables

	2017 USD	2016 USD
Trade Receivables	<u>                    </u>	<u>4,287,639</u>

## 9. Stated capital

	2017 USD	2016 USD
<i>Issued and fully paid shares</i>		
<i>Ordinary shares</i>		
64,000 ordinary shares of USD 100 each	<u>6,400,000</u>	<u>6,400,000</u>

## 10. Borrowings

	2017 USD	2016 USD
Loan from Adani Global FZE	<u>44,767,050</u>	<u>44,767,050</u>

The loan from Adani Global FZE is interest free and payable on demand.

## 11. Trade and other payables

	2017 USD	2016 USD
Trade payables	-	4,284,024
Other payables	<u>2,500</u>	<u>2,500</u>
	<u>2,500</u>	<u>4,286,524</u>



## ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

## 12. Taxation

Under the applicable laws, the Company is liable to income tax in Mauritius on its chargeable income at the rate of 15 %. However, it is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered or 80 % of the Mauritius tax on its foreign source income. The effective tax rate is reduced to 3%.

No provision for income tax has been made in the accounts as the Company has accumulated tax losses amounting to **USD 6,771** as at 31 March 2017

The tax losses are available for set-off against future taxable income of the Company in the five succeeding income years as follows:

	USD	
Available for set-off against taxable income up to:		
year ending 31 December 2021		<u>6,771</u>
		<u>6,771</u>
	<b>2017</b>	2016
	<b>USD</b>	<b>USD</b>
(Loss)/profit before taxation	<u>(6,308)</u>	<u>43,654</u>
<i>Effect of:</i>		
Non-allowable income	(463)	(496)
Losses brought forward	-	(44,403)
Losses lapsed after 5 years	-	13,287
(Loss)/profit adjusted for tax purposes	<u>(6,771)</u>	<u>12,042</u>
Tax charge for the year @ 15%	-	1,806
Foreign tax credit	-	(1,445)
Tax payable	<u>-</u>	<u>361</u>

## 13. Financial instruments

*Fair values**Accounting classifications and fair values of financial instruments*

The Company's financial assets and liabilities consist of available for-sale-financial assets, trade receivables, cash and cash equivalents, borrowings and trade and other payables. The carrying amounts of these financial assets and liabilities approximate their fair values. All financial assets and liabilities are categorised as financial instruments at amortised cost as defined in IAS 39.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

## ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

## 13. Financial instruments (continued)

*Fair values (continued)**Accounting classifications and fair values of financial instruments (continued)*

	Carrying amounts			Fair values			
	Financial assets	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD	USD	USD	USD
<b>2017</b>							
<i>Financial assets</i>							
Available-for-sale financial assets	1,258,087	-	1,258,087	-		1,258,087	1,258,087
Cash and cash equivalents	465,116	-	465,116	-	465,116	-	465,116
	1,723,203	-	1,723,203	-	465,116	1,258,087	1,723,203
<i>Financial liabilities</i>							
Borrowings	-	44,767,050	44,767,050	-	44,767,050	-	44,767,050
Trade and other payables	-	2,500	2,500	-	2,500	-	2,500
	-	44,769,550	44,769,550	-	44,769,550	-	44,769,550

	Carrying amounts			Fair values			
	Financial assets	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD	USD	USD	USD
<b>2016</b>							
<i>Financial assets</i>							
Available-for-sale financial assets	1,258,087	-	1,258,087	-	-	1,258,087	1,258,087
Trade receivables	4,287,639	-	4,287,639	-	4,287,639	-	4,287,639
Cash and cash equivalents	468,170	-	468,170	-	468,170	-	468,170
	6,013,896	-	6,013,896	-	4,755,809	1,258,087	6,013,896
<i>Financial liabilities</i>							
Borrowings	-	44,767,050	44,767,050	-	44,767,050	-	44,767,050
Trade and other payables	-	4,286,524	4,286,524	-	4,286,524	-	4,286,524
	-	49,053,574	49,053,574	-	49,053,574	-	49,053,574

*Fair value hierarchy*

The above table analyses financial instruments carried at fair value by the levels in the fair value hierarchy, the different level have been defined as follows:

Level 1 (highest level): Quoted market prices in active markets for identical assets or liabilities.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

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**13. Financial instruments (continued)**

*Fair value hierarchy (continued)*

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 (lowest level): Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Company's financial assets and liabilities consist of available for sale investments, loan receivables, other receivables, cash and cash equivalents, borrowings and other payables. The carrying amounts of these financial assets and liabilities approximate their fair values. All financial assets and liabilities are categorised as financial instruments at amortised cost as defined in IAS 39.

**14. Financial risk factors**

*Overview*

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk
- currency risk
- Concentration risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

*Risk management*

The Board of Directors is ultimately responsible for risk management, which includes the Company's risk governance structure and maintaining an appropriate internal control framework. Management's responsibility is to manage risk on behalf of the Board.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

***Credit risk***

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet contractual obligations, and arises from Company's cash and cash equivalents.

Cash and cash equivalents are kept with reputable financial institutions so as to minimise the associated credit risk.

## ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

## 14. Financial risk factors (continued)

*Credit risk (continued)*

Advances are provided to related parties only. Thus, the credit risk on loan advanced is minimal.

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The maximum exposure to credit risk at the reporting date was as follows:

	2017 USD	2016 USD
Cash and cash equivalents	<u>465,116</u>	<u>468,170</u>

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the company's at the reporting date based on contractual undiscounted payments.

	Carrying amount USD	Less than one year USD	More than one year USD
<b>2017</b>			
<i>Non-derivative financial liabilities</i>			
Trade and other payables	2,500	2,500	-
Borrowings	44,767,050	-	44,767,050
	<u>44,769,550</u>	<u>2,500</u>	<u>44,767,050</u>
<b>2016</b>			
<i>Non-derivative financial liabilities</i>			
Trade and other payables	4,286,524	4,286,524	-
Borrowings	44,767,050	-	44,767,050
	<u>49,053,574</u>	<u>4,286,524</u>	<u>44,767,050</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**

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**14. Financial risk factors (continued)**

***Market risk***

Market risk is the risk that the changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

***Interest rate risk***

Interest rate risk is the risk that fair value of future cash flows will fluctuate because of the changes in the market interest rates.

The Company's financial assets and liabilities are principally non-interest bearing except for cash and cash equivalents which are of fixed interest rate. As a result, the Company is not subject to significant amount of risks due to fluctuations in market interest rates.

***Sensitivity analysis***

No sensitivity analysis has been disclosed since the Company was not exposed to interest rate risk at 31<sup>st</sup> March 2017.

***Currency risk***

No sensitivity has been performed as currency risk is minimal since all of the Company's financial assets and liabilities are denominated in USD.

***Concentration risk***

No sensitivity has been performed as concentration risk is minimal since all of the Company's financial assets and liabilities are denominated in USD.

***Capital risk management***

The Company actively and regularly reviews and manages its capital position to maintain a balance between its liability and equity level.

The management of the Company's capital position is undertaken by management team of the Company. The management team ensures that the Company are adequately capitalised to meet economic and regulatory requirements.

Capital injections and repatriations of funds are executed in a timely fashion, working closely with the business and infrastructure groups. The management team meets on a regular basis and manages capital by taking into account key considerations which may include business developments, regulatory requirements, gap profitability and market movements such as foreign exchange and interest rate.



## ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)**15. Related party transactions**

The Company has related party relationships with parties related to its shareholders, as well as with key management personnel.

The following related party transactions were carried out during the year under review:

<i>Name of related party</i>	<i>Nature of relationship</i>	<i>Nature of transaction</i>	<b>Volume of transactions during the year</b> <b>2017</b> <b>USD</b>	<b>Volume of transactions during the year</b> <b>2016</b> <b>USD</b>
<b>Transactions during the year:</b>				
Adani Global FZE	Subsidiary	Loan Payable	-	-
<b>Balances at end of the year:</b>				
Adani Global FZE	Subsidiary	Loan Payable	<b>44,767,050</b>	<b>44,767,050</b>

All the above related party transactions were carried out at arm's length.

**16. Contingent liability**

The Company entered into a corporate guarantee agreements for an amount totalling USD 208,064,551 for loan facilities provided by 6 Different banks to its 100% Subsidiary in Dubai. The guarantees terminate upon the closure of working capital facilities availed from respective banks.

**17. Holding and ultimate holding companies**

Adani Enterprises Limited is the ultimate holding company. Its registered office address is at Adani House, Mithakhali Six Roads, Ahmedabad, Gujarat, India.

**18. Events after the reporting date**

No events were noted after the reporting date that would require disclosures or adjustments to the financial statements for the year ended 31 March 2017.