

ADANI GLOBAL LIMITED

**Financial Statements
For the year ended 31 March 2018**

ADANI GLOBAL LIMITED**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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ADANI GLOBAL LIMITED

CORPORATE INFORMATION

		<i>Date of Appointment</i>	<i>Date of Resignation</i>
DIRECTORS:	Giandeo Reemul	16 November 2006	10 November 2017
	Theyvarajen Ponumbalum	16 November 2006	10 November 2017
	Pranav Vinod Adani	31 May 2011	-
	Pranav Seventi Vora	9 February 2012	-
	Mohammad Sehzaad Peerbucus	10 November 2017	-
	Louis Ricardo Caillou	10 November 2017	-

**ADMINISTRATOR
AND CORPORATE
SECRETARY:** **Trustlink International Limited**
Suite 501,
St James Court,
St Denis Street,
Port Louis,
Mauritius

**REGISTERED
OFFICE:** **C/o Trustlink International Limited**
Suite 501,
St James Court,
St Denis Street,
Port Louis,
Mauritius

BANKERS: **Bank One Limited**
16 Sir William Newton Street,
Port Louis,
Mauritius

SBI International Limited
34 Sir William Newton Street,
Port Louis,
Mauritius

SBM Bank (Mauritius) Ltd
SBM Tower, 1 Queen Elizabeth II Avenue,
Port Louis,
Mauritius

AUDITORS: **Nolands (Mauritius)**
2, River Court,
St Denis Street,
Port Louis,
Mauritius

ADANI GLOBAL LIMITED**COMMENTARY OF THE DIRECTORS**

The directors present their report, together with the audited financial statements of **ADANI GLOBAL LIMITED** (the “Company”) for the financial year ended 31 March 2018.

PRINCIPAL ACTIVITY

ADANI GLOBAL LIMITED was incorporated in Mauritius on 21st 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 results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

The directors do not propose the payment of a dividend for the year under review (2017: *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 (2017: *USD Nil*).

COMMENTARY OF THE DIRECTORS (CONTINUED)

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:

	2018	2017
	USD	USD
<i>Audit fees</i>		
Nolands (Mauritius)	<u>1,250</u>	<u>1,250</u>
	<u>1,250</u>	<u>1,250</u>

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

We certify to the best of our knowledge and belief that we 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 2018.


.....
for Trustlink International Limited

Corporate secretary

**Registered address:**

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

Date: 04 MAY 2018

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 2018, 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 8 to 11, and a summary of significant accounting policies and other explanatory information as set out on pages 12 to 26.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2018 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our audit report thereon. Our opinion of the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

AUDITING & INSIGHT

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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities of the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We are required to communicate with those charged with governance 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.

Independent auditors' report

To the shareholders of ADANI GLOBAL LIMITED (continued)

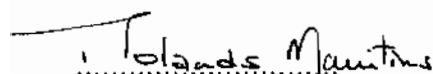
Report on other legal and regulatory requirements

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.

Use of this report

This report is made solely for the Company's member, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to the member 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 member as a body, 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
 Signing Partner
 Licensed by FRC

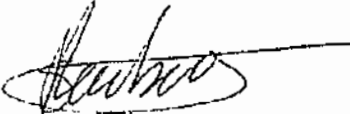
Date: 04 MAY 2018

ADANI GLOBAL LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	<i>Notes</i>	2018 USD	2017 USD
ASSETS			
Non-current assets			
Investment in subsidiary companies	6	44,629,119	44,957,594
Available-for-sale financial assets	7	1,258,087	1,258,087
Total non-current assets		45,887,206	46,215,681
Current assets			
Cash and cash equivalents	8	34,432	465,116
Total current assets		34,432	465,116
TOTAL ASSETS		45,921,638	46,680,797
EQUITY AND LIABILITIES			
Equity			
Stated capital	9	6,400,000	6,400,000
Revenue earnings		39,519,138	(4,488,753)
Total equity		45,919,138	1,911,247
Non-current liabilities			
Borrowings	10	-	44,767,050
Total non-current liabilities		-	44,767,050
Current liabilities			
Other payables	11	2,500	2,500
Total current liabilities		2,500	2,500
TOTAL EQUITY AND LIABILITIES		45,921,638	46,680,797

Approved by the Board of Directors on 04 MAY 2018 and signed on its behalf by:


 Mohammad Sehzaad Peerbucus
 Director


 Louis Ricardo Caillou
 Director

The notes on pages 13 to 26 form an integral part of these financial statements.

ADANI GLOBAL LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	<i>Notes</i>	2018 USD	2017 USD
INTEREST INCOME		17	463
OTHER INCOME (Exempted from corporate taxation)	12	44,039,564	-
EXPENSES			
Administration fees		(19,560)	(3,575)
Audit and professional fees		(4,900)	(2,025)
Bank charges		(7,230)	(1,171)
TOTAL EXPENSES		(31,690)	(6,771)
PROFIT OR (LOSS) BEFORE TAXATION		44,007,891	(6308)
Taxation	12	-	-
PROFIT OR (LOSS) FOR THE YEAR		44,007,891	(6,308)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
TOTAL COMPREHENSIVE INCOME OR (LOSS) FOR THE YEAR		44,007,891	(6,308)

The notes on pages 13 to 26 form an integral part of these financial statements.

ADANI GLOBAL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Stated capital USD	Retained earnings USD	Total USD
At 01 April 2016	6,400,000	(4,482,445)	1,917,555
<i>Total comprehensive loss for the year:</i>			
Loss for the year	-	(6,308)	(6,308)
At 31 March 2017	<u>6,400,000</u>	<u>(4,488,753)</u>	<u>1,911,247</u>
<i>Total comprehensive income for the year:</i>			
Profit for the year	-	44,007,891	44,007,891
At 31 March 2018	<u>6,400,000</u>	<u>39,519,138</u>	<u>45,919,138</u>

The notes on pages 13 to 26 form an integral part of these financial statements.

ADANI GLOBAL LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	2018 USD	2017 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit or (loss) before taxation	44,007,891	(6,308)
<i>Adjustment for:</i>		
Interest income	(17)	(463)
Operating profit or (loss) before working capital changes	44,007,874	(6,771)
<i>Changes in working capital:</i>		
Movement in trade and other receivables	-	4,287,639
Movement in trade and other payables	-	(4,284,024)
	44,007,874	(3,615)
Tax paid	-	(361)
Net cash flows generated from operating activities	44,007,874	(3,517)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	17	463
Movement in investment in subsidiary company	(44,438,575)	-
Net cash flows (used in)/generated from investing activities	(44,438,558)	463
Net decrease in cash and cash equivalents	(430,684)	(3,054)
Cash and cash equivalents at beginning of year	465,116	468,170
Cash and cash equivalents at end of the year	34,432	465,116

The notes on pages 13 to 26 form an integral part of these financial statements.

ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. General information

ADANI GLOBAL LIMITED (the "Company"), was incorporated in Mauritius on the 21 January 1997 as a Category 1 Global Business Licence. The Company's registered office is at C/o Trustlink International Limited, 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 2018**

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 de recognition (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 the directors, 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 2018 (CONTINUED)**

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.
- (ii) Dividend income is recognised when the shareholder's right to receive payment is established.

(e) Expense recognition

Expenses are accounted for in the statement of profit or loss and other comprehensive income 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.

ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

4. Summary of accounting policies (continued)

(h) 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.

(i) 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**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.

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 is the amount at which the financial asset of 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

4. Summary of accounting policies (continued)

(i) Financial instruments (continued)

(i) Financial assets (continued)

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

(ii) 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.

(j) 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.

(k) 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:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

4. Significant accounting policies (continued)

(k) Taxation (continued)

- 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.

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.

(l) 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 directors' 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) Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising there are dependent on the functional currency selected. As describe in Note 4 (b), the directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar ("USD").

(ii) Impairment of financial assets

The directors assess 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.

(iii) Impairment of investment in subsidiaries

The Company has invested in the shares of company that are unquoted. The directors have used their judgement in the valuation of these shares as at 31 March 2018. The directors are of the opinion that the cost of these shares approximates their fair value at that date. Therefore, no impairment is required to be made by the Company.

ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

6. Investment in subsidiary companies

<i>Name of subsidiary companies</i>	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>Proportion of ownership</i>	2018 USD	2017 USD
Adani Global FZE	U. A. E.	Ordinary	100%	3,894,772	4,223,247
Adani Global Pte Ltd	Singapore	Ordinary	100%	40,734,347	40,734,347
				<u>44,629,119</u>	<u>44,957,594</u>

7. Available-for-sale in financial assets

<i>Name of investee companies</i>	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>Proportion of ownership</i>	2018 USD	2017 USD
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. Cash and cash equivalents

	2018 USD	2017 USD
<i>Cash at bank</i>		
Bank of Baroda USD Account	-	13,406
Bank One USD Account	9,928	-
SBI USD Account	9,504	451,710
SBM USD Account	15,000	-
	<u>34,432</u>	<u>465,116</u>

ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

9. Stated capital

	2018 USD	2017 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

	2018 USD	2017 USD
Loan from Adani Global FZE	<u>-</u>	<u>44,767,050</u>

11. Trade and other payables

	2018 USD	2017 USD
Other payables	<u>2,500</u>	<u>2,500</u>
	<u>2,500</u>	<u>2,500</u>

ADANI GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (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 38,461** as at 31 March 2018

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>
	2018 USD	2017 USD
(Loss)/profit before taxation	<u>44,007,891</u>	<u>(6,308)</u>
<i>Effect of:</i>		
Other income exempted from corporate taxation	(44,039,581)	(463)
Losses brought forward	(6,771)	-
Losses lapsed after 5 years	-	-
Loss adjusted for tax purposes	<u>(38,461)</u>	<u>(6,771)</u>
Tax charge for the year @ 15%	-	-
Foreign tax credit	-	-
Tax payable	<u>-</u>	<u>-</u>

The tax losses that are being carried forward from previous years shall be restricted to the time limit of 5 years in accordance with Paragraph 59 of the Income Tax Act 1995 (Amended). The Company shall cease to carry forward any tax losses falling outside the 5-year time limit period when the restriction shall be applicable.

As per part 2 of the second schedule to the Income Tax Act and section 26 of the Income Tax Act other income deriving from investments is exempted for tax purposes.

ADANI GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

13. Financial instruments

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

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

	Carrying amounts			Fair values		
	Financial assets	Financial liabilities	Total	Level 1	Level 2	Level 3
	USD	USD	USD	USD	USD	USD
2018						
Financial assets						
Available-for-sale financial assets	1,258,087	-	1,258,087	-		1,258,087
Cash and cash equivalents	34,432	-	34,432	-	34,432	-
	1,292,519	-	1,292,519	-	34,432	1,258,087
Financial liabilities						
Trade and other payables	-	2,500	2,500	-	2,500	-
	-	2,500	2,500	-	2,500	-
2017						
Financial assets						
Available-for-sale financial assets	1,258,087	-	1,258,087	-	-	1,258,087
Cash and cash equivalents	465,116	-	465,116	-	465,116	-
	1,723,203	-	1,723,203	-	465,116	1,258,087
Financial liabilities						
Borrowings	-	44,767,050	44,767,050	-	44,767,050	-
Trade and other payables	-	2,500	2,500	-	2,500	-
	-	44,769,550	44,769,550	-	44,769,550	-

Fair value hierarchy

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

13. Financial instruments (continued)

Fair value hierarchy (continued)

The Company's financial assets and liabilities consist of available for sale investments, 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.

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.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

14. Financial risk factors (continued)

Credit risk (continued)

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

	2018 USD	2017 USD
Cash and cash equivalents	<u>34,432</u>	<u>465,116</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 at the reporting date based on contractual undiscounted payments.

	Carrying amount USD	Less than one year USD	More than one year USD
2018			
<i>Non-derivative financial liabilities</i>			
Trade and other payables	<u>2,500</u>	-	<u>2,500</u>
	<u>2,500</u>	-	<u>2,500</u>
2017			
<i>Non-derivative financial liabilities</i>			
Borrowings	44,767,050	-	44,767,050
Trade and other payables	<u>2,500</u>	<u>2,500</u>	<u>-</u>
	<u>44,769,550</u>	<u>2,500</u>	<u>44,767,050</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

14. Financial risk factors (continued)

Interest rate risk (continued)

Sensitivity analysis

No sensitivity analysis has been disclosed since the Company was not exposed to interest rate risk at 31st March 2018.

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.

15. Related party transactions

The following related party transaction was carried out during the year under review:

<i>Name of related party</i>	<i>Nature of relationship</i>	<i>Nature of transaction</i>	2018 USD	2017 USD
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Balances at end of the year:

Adani Global FZE	Subsidiary	Loan Payable	<u>-</u>	<u>44,767,050</u>
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All the above related party transaction was carried out at arm's length.

ADANI GLOBAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

16. Contingent liability

The Company entered into a corporate guarantee agreement for an amount totalling USD 218,064,551 (previous year: 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 2018.