

**ADANI AUSTRALIA
PTY LTD**

A.C.N. 625 679 852

**REDUCED DISCLOSURE
FINANCIAL REPORT**

**FOR THE PERIOD ENDED
31 MARCH 2019**

Adani Australia Pty Ltd

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Adani Australia Pty Ltd

Directors' report

Period ended 31 March 2019

Your directors submit their report for the period from 19 April 2018 to 31 March 2019.

DIRECTORS

The names of the directors of Adani Australia Pty Ltd (the "Company") in office during the financial period and up to the date of this report are:

Samir Vora (appointed 19 April 2018)

Jeyakumar Janakaraj (appointed 19 April 2018)

COMPANY SECRETARY

The Company Secretary of Adani Australia Pty Ltd during the financial period and up to the date of this report:

Rajesh Gupta

CORPORATE INFORMATION

Adani Australia Pty Ltd is a Company limited by shares that is incorporated and domiciled in Australia.

The company was incorporated and commenced activities on 19 April 2018.

The registered office of Adani Australia Pty Ltd is located at:

Level 25, 10 Eagle Street
Brisbane, Queensland, Australia.

PRINCIPAL ACTIVITIES

The Company's principal activity is the provisioning of management services to its related entities engaged in resource development, infrastructure development and infrastructure operations.

RESULTS and DIVIDENDS

The loss after tax for the Company for the period ended 31 March 2019 was \$13,165.

No dividend has been paid or recommended.

REVIEW OF OPERATIONS

During the period the Company has been engaged in the provision of management services to its related entities engaged in resource development, infrastructure development and infrastructure operations.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the current financial period.

Adani Australia Pty Ltd

Directors' report (continued)

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There have been no other matters or circumstances that have arisen since the end of the financial period that have significantly affected, or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in financial years after the financial period ended 31 March 2019.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the Company's operations and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL REGULATION AND PERFORMANCE

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

INSURANCE OF DIRECTORS AND INDEMNITIES

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

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial period ended 31 March 2019.

AUDITOR'S INDEPENDENCE DECLARATION

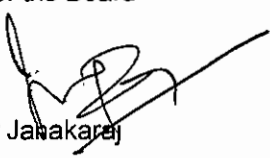
A copy of the auditor's independence declaration as required under *section 307C of the Corporations Act 2001* is set out on page 5.

NON-AUDIT SERVICES

No non-audit services were provided by the Company's auditor, Ernst & Young.

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

On behalf of the Board


Jeyakumar Jawakara
Director

Brisbane, Queensland, 21 May 2019

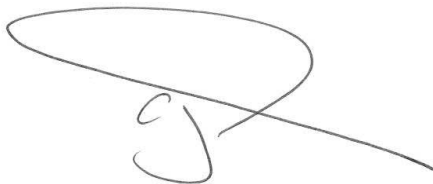
Auditor's Independence Declaration to the Directors of Adani Australia Pty Ltd

As lead auditor for the audit of the financial report of Adani Australia Pty Ltd for the financial period ended 31 March 2019, I declare to the best of my knowledge and belief, there have been:

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



Ernst & Young



Andrew Carrick
Partner
21 May 2019

Adani Australia Pty Ltd

Statement of comprehensive income

For the period ended 31 March 2019

		Period from 19 April 2018 to 31 March 2019
	Notes	\$
Interest income		223
Other income	2	256,199
General and administration expenses		(269,227)
Bank charges		(360)
Profit/(Loss)/ before tax		(13,165)
Income tax benefit/(expense)	3	-
Profit/(Loss) for the year		(13,165)
Other comprehensive income		-
Total comprehensive profit/(loss) for the year		(13,165)

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

Adani Australia Pty Ltd

Balance sheet

As at 31 March 2019

	Notes	<u>31 March 2019</u>
		\$
Assets		
Current assets		
Bank deposit	4	50,000
Other receivables		991
Total current assets		<u>50,991</u>
Non-current assets		
Due from related parties	5	704,074
Total non-current assets		<u>704,074</u>
Total assets		<u><u>755,065</u></u>
Liabilities		
Current liabilities		
Bank overdraft		5,647
Trade and other payables		341,244
Due to related party	6	420,339
Total current liabilities		<u>767,230</u>
Total liabilities		<u>767,230</u>
Net assets		<u><u>(12,165)</u></u>
Equity		
Contributed equity	7	1,000
Accumulated losses		(13,165)
Total equity		<u><u>(12,165)</u></u>

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

Adani Australia Pty Ltd

Statement of changes in equity

For the period ended 31 March 2019

	Contributed equity	Accumulated losses	Total
	\$	\$	\$
Shares issued at inception 19 April 2018	1,000	-	1,000
Loss for the year	-	(13,165)	(13,165)
Total comprehensive loss	-	(13,165)	(13,165)
At 31 March 2019	1,000	(13,165)	(12,165)

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

Adani Australia Pty Ltd

Statement of cash flows

For the period ended 31 March 2019

	Notes	Period from 19 April 2018 to 31 March 2019 \$
Cash flows from/(used in) operating activities		
Receipts from customers		3,950,706
Payments to suppliers and employees		(3,846,413)
Interest received		223
Finance costs paid		(360)
Net cash from/(used in) operating activities		104,156
Cash flows from/(used in) investing activities		
Short term deposits		(50,000)
Net cash flows from/(used in) investing activities		(50,000)
Cash flows from/(used in) financing activities		
Net movement in related party balances		(60,803)
Proceeds from equity raised		1,000
Net cash flows (used in)/from financing activities		(59,803)
Net decrease in cash at bank and on hand		(5,647)
Cash at bank and on hand at beginning of the period		-
Cash at bank and on hand at end of the period		(5,647)

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

Adani Australia Pty Ltd

Notes to the financial statements

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

The general purpose financial report of Adani Australia Pty Ltd (the "Company") for the period since inception from 19 April 2018 to 31 March 2019 was authorised for issue in accordance with a resolution of the directors on 21 May 2019.

(a) Basis of accounting

(i) Statement of compliance

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

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

(ii) Going Concern

During the period ended 31 March 2019, the Company made a loss of \$13,165, and as at 31 March 2019 the Company had current liabilities exceeding its current assets by \$716,239. This is mainly due to amounts due to a related party (refer Note 6).

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

(b) New and amended standards and interpretations

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 April 2018. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

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

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New and amended standards and interpretations (continued)

► AASB 15 *Revenue from Contracts with Customers*

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 18 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted AASB 15 from inception. There were no transactions that were in scope of AASB 15 during the current period and therefore the new standard did not have an impact on the Company.

► AASB 9 *Financial Instruments*

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* and brings together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company has applied AASB 9 since inception; however, the effect of the initial application was not material.

Classification and measurement

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding.

Impairment

The adoption of AASB 9 has changed the Company's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss ("ECL") approach. AASB 9 requires the Company to recognise an allowance for ECL's for all debt instruments not held at fair value through profit or loss and contract assets. The adoption of the impairment aspect of the new standard did not have a material impact on the Company.

Hedge accounting

The adoption of the hedge accounting aspect of the new standard did not have an impact on the Company.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial report of the Company.

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New and amended standards and interpretations (continued)

New standards and interpretations not yet adopted

► AASB 16 Leases

AASB 16 is effective for annual periods beginning on or after 1 January 2019 and sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The Company plans to adopt AASB 16 retrospectively to each prior reporting period presented. The Company will elect to apply the standard to contracts that were previously identified as leases applying AASB 117 and AASB Interpretation 4. The Company will therefore not apply the standard to contracts that were not previously identified as containing a lease applying AASB 117 and AASB Interpretation 4.

The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

(c) Foreign currency translation

The Company's functional currency is the Australian dollar, being the currency of the primary economic environment in which it operates.

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

(d) Other income recognition

Interest

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

Management fees

Management fee income is recognised over the year in which the associated costs on which the management fees charged are incurred.

(e) Income taxes

Current tax

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

Adani Australia Pty Ltd

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Income taxes (continued)

Deferred tax

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

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

(f) Goods and services tax

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

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

(g) Cash and cash equivalents

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

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

(h) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of receivables is reviewed on an ongoing basis.

Adani Australia Pty Ltd

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments

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

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

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

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

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

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

(ii) *Financial assets - subsequent measurement*

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

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

Financial assets at amortised cost (debt instruments)

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

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

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

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

(iii) *Derecognition of financial assets*

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

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

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

(iv) *Impairment of financial assets*

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

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

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

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

Financial liabilities are classified, at initial recognition, as loans and borrowings, or trade and other payables as appropriate. The Company's financial liabilities include trade and other payables and non-interest bearing loans.

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

(vi) *Financial liabilities - subsequent measurement*

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

Loans and borrowings and trade and other payables

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

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

(vii) *Derecognition of financial liabilities*

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

(viii) *Offsetting of financial instruments*

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

Adani Australia Pty Ltd

Notes to the financial statements (continued)

For the period ended 31 March 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Trade and other payables

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

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction and production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

Deferred borrowing costs are amortised over the life of the loan based on the effective interest rate (EIR) method.

(l) Contributed equity

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

Adani Australia Pty Ltd

Notes to the financial statements (continued)

For the period ended 31 March 2019

	31 March 2019
	\$
2 OTHER INCOME	
Management fees from related party	256,199
3 INCOME TAX	
Numerical reconciliation of income tax expense to prima facie tax payable	
Accounting (losses)/profit before income	(13,165)
At Australia's statutory income tax rate of 30%	(3,950)
Tax losses not recognised during the year	3,950
At the effective income tax rate of 0%	-
Tax losses	
Unused tax losses for which no deferred tax asset has been recognised	13,165
Potential tax benefit @ 30%	3,949
4 BANK DEPOSIT	
Credit card facility deposit equal to facility limit	50,000
5 DUE FROM RELATED PARTIES	
Non-current - receivable on demand	
Adani Abbot Point Terminal Pty Ltd	582,576
Adani Renewable Asset Holdings Pty Ltd	120,498
Adani Global Pte Ltd	1,000
	704,074
6 DUE TO RELATED PARTY	
Current	
Adani Mining Pty Ltd - payable on demand	420,339
7 CONTRIBUTED EQUITY	
(a) Issued and paid up capital	
Ordinary shares fully paid	1,000
(b) Movement in ordinary shares on issue	
	No.
Issued 19 April 2018	1,000
As at 31 March 2019	1,000

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

Adani Australia Pty Ltd

Notes to the financial statements (continued)

For the period ended 31 March 2019

8 RELATED PARTY DISCLOSURES

(a) Parent entities

The Company is controlled by the following entities:

Name	Type	Ownership Interest 31 March 2019
Adani Global Pte Ltd	Immediate parent entity	100%
Adani Enterprises Ltd	Ultimate parent entity and controlling	100%

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

Period from
19 April 2018 to
31 March 2019
\$

(b) Transactions with other related parties

Total amount of transactions entered into with related parties for the financial period:

Recharge of expenses 3,695,498

Management fees 256,199

Terms and conditions of transactions with related parties

► Recharges are based on agreements between parties.

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

Related party receivables are reported in Note 5.

Related party payables are reported in Note 6.

9 SUBSEQUENT EVENTS

There have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs after the period ended 31 March 2019.

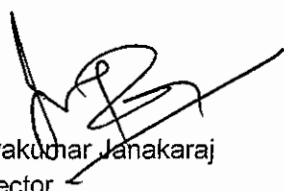
Adani Australia Pty Ltd

Directors' declaration

In the directors' opinion:

- (a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's balance sheet as at 31 March 2019 and of its performance for the period from 19 April 2018 to 31 March 2019; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Jeyakumar Janakaraj
Director

Brisbane, 21 May 2019

Independent Auditor's Report to the Members of Adani Australia Pty Ltd

Opinion

We have audited the financial report of Adani Australia Pty Ltd (the Company), which comprises the balance sheet as at 31 March 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the Company's financial position as at 31 March 2019 and of its financial performance for the period ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

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

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

Emphasis of Matter - Basis of Accounting and Restriction on Use

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

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

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

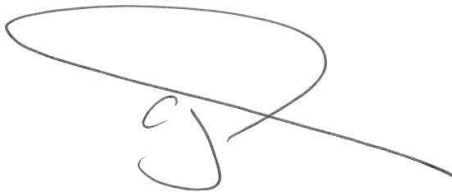
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Ernst & Young



Andrew Carrick
Partner
Brisbane
21 May 2019