

Consolidated Financial Statements of

**PT Adani Global and subsidiaries**

For the years ended 31 March 2016 and 2015

With Independent Auditors' report thereon

## Contents

	Page
Board of Directors' Statement	
Independent Auditors' Report	
Consolidated Financial Statements :	
Consolidated Statements of Financial Position	1
Consolidated Statements of Comprehensive income	2
Consolidated Statements of Changes in Shareholders' equity	3
Consolidated Statements of Cash Flows	4
Notes to the Consolidated Financial Statements	5 -24
Supplementary information	25 -36

\*\*\*\*\*

**BOARD OF DIRECTORS' STATEMENT**  
REGARDING  
THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS  
AS AT AND FOR THE YEARS ENDED 31 MARCH 2015 AND 2014  
**PT ADANI GLOBAL & SUBSIDIARIES**

---

We, the undersigned :

- |                                      |   |   |
|--------------------------------------|---|---|
| 1. Name                              | : | Mr. Jayaraman Udaykumar   |
| Office address                       | : | Graha Mustika Ratu, Lantai 3, Jl. Jend Gatot Subroto, Kav 74-75<br>Jakarta Selatan  |
| Domicile address<br>based on ID Card | : | Taman Kemayoran Kondominium, Menara Eboni Lt 11/03<br>Jl. Haji Benyamin Sueb, Kelurahan Keban Kosong,<br>Kecamatan Kemayoran, Jakarta Pusat |
| Phone number                         | : | 021-8307406 / Fax 8307407   |
| Function                             | : | President Director  |

declare that :

1. We are responsible for the preparation and presentation of PT Adani Global & Subsidiaries' financial statements;
2. PT Adani Global & Subsidiaries' financial statements have been prepared and presented in accordance with accounting principles generally accepted in Indonesia;
3. a. All information in the PT Adani Global & Subsidiaries' Financial Statements have been disclosed in a complete and truthful manner;  
b. PT Adani Global & Subsidiaries' financial statements do not contain incorrect information nor materials fact, nor do they omit information or material facts;
4. We are responsible for PT Adani Global & Subsidiaries' internal control systems.

Thus this statement is made truthfully.

For and on behalf of the Board of Directors

Jakarta, 14 April 2016



Jayaraman Udaykumar  
President Director



# Armen, Budiman & Rekan

Registered Public Accountants

Gedung Graha Seti, Lt. 1  
Jl. KH. Abdullah Syafe'i, Kav. A 20  
Gudang Peluru - Tebet  
Jakarta 12830

Mail : PO Box 4071/JKTJ 13040  
Tel. : (021) 8355535 / 63  
Fax. : (021) 8355565  
E-mail : [auditaa@cbn.net.id](mailto:auditaa@cbn.net.id)

Operating license :  
KEP-3/KM.1/2008

No.: R. 024/BAR/2016

## Independent Auditors' Report

**The Shareholders and The Board of Directors,  
PT. Adani Global**

We have audited the accompanying consolidated financial statements of **PT. Adani Global and its subsidiaries** ("The Company"), which comprise the statement of financial position as of 31 March 2016, and the statements of comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

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

### **Auditor's responsibility**

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



### Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT. Adani Global and its subsidiaries as of 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Our audits were conducted for the purpose of expressing an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplementary information on pages 25 to 36 are presented for purposes of additional analysis only and is not a required part of the basic consolidated financial statements. Such supplementary information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements mentioned above and, in our opinion, is fairly presented in all material respects in relation to the basic consolidated financial statements taken as a whole.

Jakarta, 14 April 2016

**Drs. Budiman A. Rozik, CPA.**

License of Public Accountant No. AP.0448

**PT Adani Global and subsidiaries**  
**Consolidated Statements of Financial Position**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	38.614,38	34.197,51
Trade receivables		2.941,99	-
Inventories	5	105.265,63	175.088,67
Short term loans and advances	6	293.963,74	74.881,59
<b>Total current assets</b>		<b>440.785,74</b>	<b>284.167,77</b>
<b>Non current assets</b>			
Capital advances	7	17.013,20	19.838,91
Prepaid taxes	8a	11.302,64	8.687,03
Fixed assets - net	9	268.322,52	329.859,95
Investments	10	300,00	300,00
Deferred charges	11	174.776,13	211.140,47
Deferred tax asset	8d	114.259,71	96.980,14
Other non current assets	12	27.612,76	26.549,47
<b>Total non current assets</b>		<b>613.586,96</b>	<b>693.355,97</b>
<b>Total assets</b>		<b>1.054.372,70</b>	<b>977.523,74</b>
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		144.307,42	126.169,81
Taxes payable	8b	8.991,48	10.828,09
Other current liabilities	13	790.442,24	334.453,11
<b>Total current liabilities</b>		<b>943.741,14</b>	<b>471.451,01</b>
<b>Non Current liabilities</b>			
Loans	14	226.993,88	535.312,11
Provision for employee benefit	15	20.076,69	23.845,35
		247.070,57	559.157,46
<b>Total liabilities</b>		<b>1.190.811,71</b>	<b>1.030.608,47</b>
<b>Non controlling interest</b>	16	22,41	93,37
<b>Shareholders' equity</b>			
Share capital :	17		
Authorized capital : 30.000 shares of Serie A with par value of Rp 925.800 (US\$ 100) per share and 220.000 shares of serie B with par value of Rp 910.000 (US\$ 100) per share.			
Issued and paid up capital : 30.000 shares of Serie A and 220.000 shares of Serie B		227.974,00	227.974,00
Additional paid in capital	18	3.574,85	3.574,85
Accumulated loss		(368.010,27)	(284.726,95)
<b>Total shareholders' equity</b>		<b>(136.461,42)</b>	<b>(53.178,10)</b>
<b>Total liabilities and shareholders' equity</b>		<b>1.054.372,70</b>	<b>977.523,74</b>

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT Adani Global and subsidiaries**  
**Consolidated Statements of Comprehensive income**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015
Sales		1.048.336,47	987.948,44
Cost of goods sold	19;20	1.023.319,55	892.183,94
Gross profit / (loss)		25.016,92	95.764,50
Operating expenses			
General and administrative expenses	21	(104.060,69)	(86.932,82)
Operating profit / (loss)		(79.043,77)	8.831,68
Other income / (expenses) - net	22	4.075,24	(147.629,06)
Profit / (loss) before income tax		(95.951,86)	(136.967,52)
Corporate income tax			
Current	8c	(242,72)	(1.208,72)
Deferred tax - net		16.524,25	28.307,35
		16.281,53	27.098,63
Net profit before non controlling interest		(79.670,33)	(109.868,89)
Non controlling interest		380,39	764,64
Net loss		(79.289,94)	(109.104,25)
Other comprehensive income		-	-
Re measurement of post employment benefit		(4.631,92)	(10.241,17)
Deferred tax income		1.157,98	
Total comprehensive loss		(82.764)	(119.345)

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT Adani Global and subsidiaries**  
**Consolidated Statements of Changes in shareholders' equity**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015
<b>Share capital:</b>	17		
Beginning balance		227.974,00	227.974,00
Movement		-	-
<b>Ending balance</b>		<b>227.974,00</b>	<b>227.974,00</b>
<b>Additional paid in capital:</b>	18		
Beginning balance		3.574,85	3.574,85
Movement		-	-
<b>Ending balance</b>		<b>3.574,85</b>	<b>3.574,85</b>
<b>Accumulated loss</b>			
Beginning balance		(284.726,95)	(167.255,02)
Adjustment - retained earnings of subsidiaries company		(519,44)	(686,80)
Net comprehensive loss		(82.763,88)	(116.785,13)
<b>Ending balance</b>		<b>(368.010,27)</b>	<b>(284.726,95)</b>
<b>Total shareholders' equity</b>		<b>(136.461,42)</b>	<b>(53.178,10)</b>
<b>Non controlling interest</b>			
Share capital		40,00	250,00
Result		(17,59)	(156,63)
		<b>22,41</b>	<b>93,37</b>

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT Adani Global and subsidiaries**  
**Consolidated Statements of Cash flows**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015
<b>Cash flows from operating activities</b>			
Profit / (loss) before income tax		(100.583,79)	(147.208,70)
Adjustments to reconcile profit before corporate income tax to net cash provided by operating activities:			
Depreciation of fixed assets		71.599,50	101.066,93
Gain on disposal of fixed assets		(3.862,55)	1.579,47
Amortisation of deferred expenses		17.169,76	16.225,35
Provision for employee benefit		(3.768,66)	8.057,21
Unrealised foreign exchange		(5.343,08)	(10.943,23)
Adjustment related to disposed company		(50,05)	-
Interest income		(1.172,25)	(1.177,68)
Operating profit before working capital changes		(26.011,12)	(32.400,65)
(Increase) / decrease in :			
Trade receivables - net		(2.941,99)	36,67
Inventories		69.823,04	(60.844,16)
Prepaid taxes		(2.615,62)	6.307,72
Short term loans and advances		(219.082,15)	16.865,42
Loans and advances		2.825,71	1.277,05
Other non current assets		(1.063,28)	(6.828,21)
Increase / (decrease) in:			
Trade payables		18.137,61	82.231,29
Taxes payable		(1.836,62)	(826,00)
Other current liabilities		455.989,13	269.377,90
Net cash from (used for) operating activities		293.224,71	275.197,03
<b>Cash flows from investing activities</b>			
Deferred charges		19.194,57	(75,56)
Purchase of fixed assets		(11.147,50)	(7.853,37)
Proceeds from sale of fixed assets		4.947,99	8.932,88
Interest income received		1.172,25	1.177,68
Net cash used for investing activities		14.167,31	2.181,63
<b>Cash flows from financing activities</b>			
Proceeds from loans		(302.975,15)	(257.452,22)
Net cash from financing activities		(302.975,15)	(257.452,22)
Increase in cash and cash equivalents		4.416,87	19.926,44
Cash and cash equivalents - at the beginning of year		34.197,51	14.271,07
Cash and cash equivalents - at the end of year		38.614,38	34.197,51

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements**

*The Financial Statements are prepared in million of Rupiah*

---

**1. General**

PT. Adani Global ("the Company") was established under Foreign Investment Law No.1, 1967, as amended by Law No. 11, 1970 and by virtue of the notary deed No. 5 of Darmawan Tjoa S.H., public notary in Jakarta dated 3 January 2006. The Article of Association has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia by decision letter No. C-03479.HT.01.01.Th.2006 dated 8 February 2006.

The Company's Articles of Association have been amended from time to time. The last amendment was issued by Notarial Deed No. 14 dated 24 February 2016 of Rohana Frieta, regarding the change in the composition of the Board Directors. The change in the Articles have been acknowledged by the Ministry of Justice and Human Rights of the Republic of Indonesia vide letter no. AHU-AH.01.03-0043457, dated 26 April 2016.

According to the Company's Articles of Association, its scope of activities comprise export and import trade and general mine supporting service .

The Company's office is domiciled in Jakarta, Palembang, Palangkaraya, Tanjung Selor, Tarakan and Pulau Bunyu in Indonesia.

The number of employees as of 31 March 2016 was 839 persons (31 March 2015 was 1,074 persons).

The Board of Commissioners and Directors are as follows:

---

**Board of Commissioners:**

President Commissioner	--	Mr. Harsh Vardhan Mishra
Commissioner	: Mr. Harsh Vardhan Mishra	Mr. Vinay Prakash

**Board of Directors:**

President Director	: Mr. Jayaraman Uday Kumar	: Mr. Jayaraman Uday Kumar
Director	--	Mr. Juvenil Ashwin Jani
Technical Director	: Mr. Raman Prabhakar	--
Finance Director	: Mr. Taparia Siddharth Shyam	--

**2. Summary of significant accounting policies**

Set out below is a summary of the significant accounting policies adopted by the Company in the preparation of the financial statements.

**a. Basis of financial statements preparation**

The financial statements have been prepared in accordance with generally accepted accounting principles in Indonesia, except otherwise stated.

The statements of cash flows are prepared based on the indirect method by classifying cash flows arising from operating, investing and financing activities.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual result could differ from those estimates.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

**2. Summary of significant accounting policies - continued**

**b. Principles of presentation of the consolidated financial statements**

The consolidated financial statements include the financial statements of the Company and Subsidiaries, which is owned more than 50%, either directly or indirectly, by the Company. Subsidiaries have been consolidated since the Company gained effective control over Subsidiaries and will not be consolidated when such control no longer exists.

All inter company transactions and balances have been eliminated.

Minority interest in the equity and results that are controlled by the parent company are shown as a separate item in the consolidated financial statements.

The percentage of ownership in the subsidiaries as at balance date are as follows :

Subsidiaries	Nature business	Percentage of ownership	
		2016	2015
PT. Coal Indonesia	Coal trading-export/import, etc.	99,33%	99,33%
PT. Mundra Coal	Trading company	99,33%	99,33%
PT. Energy Resources	Services, export and import tradi	99,33%	99,33%
PT. Sumber Bara	Services, export and import tradi	99,33%	99,33%

**c. Foreign currency transactions and balances**

The company maintains its accounting records in Rupiah currency. Transactions in currencies other than Rupiah are recorded at the prevailing rate of exchange in effect on the date of the transactions.

At balance sheet date, all monetary assets and liabilities denominated in foreign currency have been translated at the prevailing exchange rate at that date.

The principal rate of exchange used as of 31 March were as follows:

	2016	2015
USD. 1	13.276	13.084

Exchange gains or losses arising from foreign currency translations are recognized in the current year statements of profit and loss.

**d. Financial assets**

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract which terms require delivery of the financial asset within the timeframe established by the market concerned. All financial assets are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

The Company's financial assets are classified as "Available-for-sale Financial Assets" and "Loans and Receivables".

*The Financial Statements are prepared in million of Rupiah*

---

**2. Summary of significant accounting policies - continued**

**d. Financial assets - continued**

**Available-for-sale financial assets (AFS)**

Listed equity shares held by the Company are classified as being AFS and are stated at fair value.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in equity is reclassified to profit or loss.

In case where fair value of unlisted equity shares cannot be determined reliably, the asset is carried at cost less impairment.

Dividends on AFS equity instruments, if any, are recognised in statements of comprehensive income when the Company's right to receive the dividends is established.

**Loans and receivables**

Receivables from customers and other non-derivative receivables that have fixed or determinable payments that are not quoted in an active market are classified as "Loans and Receivables". Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payment; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Loans and receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment on loans and receivables is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the financial assets original effective interest rate.

*The Financial Statements are prepared in million of Rupiah*

---

**2. Summary of significant accounting policies - continued**

**d. Financial assets - continued**

For AFS financial asset, the carrying amount of the investment is directly reduced by the impairment loss. For loans and receivables, its carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in other comprehensive income.

**Derecognition of financial assets**

The Company and its subsidiaries derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when they transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company and its subsidiaries neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Company and its subsidiaries recognise their retained interest in the asset and an associated liability for amounts they may have to pay.

If the Company and its subsidiaries retain substantially all the risks and rewards of ownership of a transferred financial asset, the Company and its subsidiaries continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

**e. Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company and its subsidiaries are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity instruments**

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

**Financial liabilities**

Trade and other payables, bank and other borrowings are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

---

**2. Summary of significant accounting policies - continued.**

**e. Financial liabilities and equity instruments - continued**

**Financial liabilities - continued**

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings.

**Derecognition of financial liabilities**

The Company derecognise financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire.

**f. Netting of financial assets and financial liabilities**

The Company only offset financial assets and liabilities and present the net amount in the statement of financial position where they :

- currently have a legal enforceable right to set off the recognized amount, and
- intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**g. Cash and cash equivalent**

Cash and cash equivalents consist of cash on hand and at banks, short term deposits with maturity not more than three months and bank overdraft, which are not pledged as collateral nor restricted to be used.

**h. Trade receivables**

Trade receivables are stated at original invoice amount less an allowance for doubtful debt. An allowance for doubtful debt is provided based on review of the status of the individual account receivable at year end.

**i. Inventories**

Inventories are carried at the cost.

For the civil work consumable, cost is based on the First-in-First-Out method, whilst for the solar and spares inventory, cost is based on the weighted averaged method, and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition.

**j. Fixed assets are stated at cost less their accumulated depreciation.**

Fixed assets are stated at cost less their accumulated depreciation.

Depreciation is computed using the straight-line method at rates considered adequate to cover the estimated useful life of the assets, as follows:

Plant and machinery	4 - 10 years
Computer	4 years
Office equipment and furniture	4 years
Motor vehicles	5 years

*The Financial Statements are prepared in million of Rupiah*

---

**2. Summary of significant accounting policies - continued**

**j. Fixed assets - continued**

The cost of repairs and maintenance are charged to expense as incurred, and the significant renewals and betterment costs are capitalised. When assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to the statement of profit and loss for the period.

Construction in progress is stated at acquisition cost and presented as fixed assets. The accumulated costs will be reclassified to the appropriate fixed assets accounts when the construction is completed and the asset is ready for its intended use.

**k. Investments**

Long-term investment in shares of associated companies with less than 20 % ownership are stated at the lower of cost or net realisable value.

Long-term investments in shares of associated companies, where the Company holds an interest of 20 % to 50 % of the total issued and paid up share of the associated companies, and does not exercise management control, are recorded at the acquisition cost, adjusted every year with the Company's share of the net income or loss of the associated companies. Cash dividends are recorded as a deduction to the value of the investments.

**l. Deferred expenses**

All costs associated with acquisition, exploration and development of coal reserves, including directly related overhead costs, are capitalised as Deferred Charges.

Exploration and development costs are accumulated for each area of interest and deferred until such area of interest commence its commercial production.

At the balance sheet date, each of the area of interest are evaluated to determine the recoverable of the carrying value of the deferred exploration and development expenses in the future, adjustments made if necessary.

Deferred exploration and development expenses are amortised on straight-line basis from the date of commercial production of the respective area of interest.

The net carrying value of each area of interest is reviewed regularly and to the extent this value exceeds its recoverable value, that excess is provided for or written-off in the year in which this is determined.

**m. Related parties**

Related party transaction is a transfer of resources or obligations between related party, regardless of whether a price is charged.

Parties are considered to be related if one party has an ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

*The Financial Statements are prepared in million of Rupiah*

---

**2. Summary of significant accounting policies - continued**

**n. Corporate income tax**

Current tax expense is determined based on the taxable income for the year computed using the prevailing tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to all temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable the taxable profit will be available in future periods against which the deductible temporary differences and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax expenses are charged or credited in the statements of profit and loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are offset in the balance sheet date in the same manner when the current tax assets and liabilities are presented.

Amendments to taxations obligations are recorded when an assessment is received or, if appealed against, when the result of the appeal are determined.

**o. Revenue and expenses recognition**

In relation to the revenue from coal mining services and coal handling services, revenue is recognised when the services has been rendered and invoiced, and no significant uncertainties remain regarding the associated costs.

Expenses are recognised when incurred.

**p. Provision for employee retirement benefit**

The Company has provided an un-funded employee benefit plan. The cost of providing benefit is determined in accordance with the Law of Manpower No. 13/2003. The provisions are recognised when the company has present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefit will be required to settle obligation and a reliable estimate can be made of the amount of the obligation.

The provisions are calculated based on Projected Unit Credit Method.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

**3. Re-statements of financial statements**

The revised accounting standard for employee benefit (PSAK 24) introduces changes to the recognition, measurement, presentation and disclosure of post-employment benefits. The standard also requires net interest expense/income to be calculated as the product of the net defined benefit liability/asset and the discount rate as determined at the beginning of the year. The effect of this is to remove the previous concept of recognising an expected return on plan assets.

As the Actuary has already calculated the net interest income / expense in their calculation, there was no change in the Company's financial position as of 31 March 2015. The changes in the Company's statements of comprehensive income for the year ended 31 March 2015 are as follows:

	Before restatement	Re-stated	Different
Costs of good sold	902.425,11	892.183,94	10.241,17
Deferred tax	(30.867,64)	(28.307,35)	(2.560,29)
Other comprehensive income - net of tax	-	7.680,88	(7.680,88)

**4. Cash and cash equivalents**

	2016	2015
Cash	37,17	78,51
Bank	38.577,21	34.119,00
	38.614,38	34.197,51

**5. Inventories**

	2016	2015
Coal	78.827,45	147.102,80
Stores and consumables	26.438,18	27.985,87
	105.265,63	175.088,67

As of 31 March 2016, crushed coal inventory and other stores and spares inventory is covered by insurance.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**5. Inventories - continued**

As of March 2016 and 2015, inventories stock quantity as follows :

	<b>Closing stock working</b>	
	<b>(in MT)</b>	<b>(in MT)</b>
	<b>2016</b>	<b>2015</b>
Opening stock	724.184	407.268
ROM Production	5.009.127	4.921.064
	5.733.311	5.328.332
Less : coal sales	(5.126.392)	(4.604.148)
Closing stock (ROM + crushed coal)	606.919	724.184

**6. Short term loans and advances**

Prepaid tax ( Value Added Tax )	4.298,05	2.547,56
Prepaid expenses	4.478,46	4.945,22
Advances to supplier	37.692,81	16.200,23
Deposits - rental and others	368,20	391,45
Insurances receivables	29,97	264,67
Staff advances	1.734,36	1.745,24
Loan to group company	245.361,89	48.787,22
	293.963,74	74.881,59

**7. Capital Advances**

Capital advances	17.013,20	19.838,91
	17.013,20	19.838,91

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>8. Taxes</b>		
<b>a. Prepaid taxes</b>		
Corporate income tax	11.302,64	8.687,03
	<u>11.302,64</u>	<u>8.687,03</u>
<b>b. Taxes payable</b>		
Income tax article 21	2.194,88	2.574,07
Income tax article 23	819,86	1.123,88
Income tax article 26	397,16	4.139,06
Income tax article 4/2	0,15	2,64
Income tax article 15	54,52	168,24
Value Added tax	5.511,83	2.760,08
	<u>8.978,40</u>	<u>10.767,97</u>
Corporate income tax	13,08	60,12
	<u>8.991,48</u>	<u>10.828,09</u>
<b>c. Corporate income tax - current</b>		
<b> Holding Company</b>		
Losses before corporate income tax - consolidated	(95.951,86)	(147.208,70)
Losses before corporate income tax - Subsidiary companies	(50.330,89)	(136.997,34)
Profit / (Losses) - Holding company	<u>(45.620,97)</u>	<u>(10.211,36)</u>
Add / (Less) :		
Permanent difference	11.198,95	572,41
Timing difference	3.938,71	3.502,82
Taxable income / (expenses)	<u>(30.483,32)</u>	<u>(6.136,13)</u>
Income tax thereon	-	-
<b>Subsidiaries :</b>		
current year	242,72	1.208,72
<b>Total</b>	<u>242,72</u>	<u>1.208,72</u>

Under the taxation laws in Indonesia, the Company submits tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within 5 years of the taxes becoming payable.

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**8. Taxes - continued**

**d. Deferred tax assets / (liabilities)**

Represents the income tax for temporary differences in calculating the company's income tax, detailed as follows :

	Balance 31 March 2015	Additions	Adjustments	Balance 31 March 2016
--	--------------------------	-----------	-------------	--------------------------

**Holding**

Timing difference:

Depreciation of fixed assets	(891,93)	1.554,63	-	662,70
Amortisation of deferred exp	(6.657,75)	2.513,11	-	(4.144,64)
Provision for employee bene	1.556,03	129,03	-	1.685,06
	(5.993,65)	4.196,77	-	(1.796,88)

Less :

Carried forward tax losses	12.989,34	30.181,42	(4.534,93)	38.635,83
	6.995,69	34.378,19	(4.534,93)	36.838,95

Deferred tax assets / (liabilities) at 25%	1.748,92	8.594,55	(1.133,73)	9.209,74
---	----------	----------	------------	----------

**Subsidiaries**

Deferred tax Assets / (Liabilities)	95.231,22	9.818,75	-	105.049,97
	96.980,14	18.413,30	(1.133,73)	114.259,71

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**9. Fixed assets**

Balances and movement of fixed assets are as follows :

	31 March 2015	Additions	Disposals	31 March 2016
<b><u>At Cost</u></b>				
Land	1.454,33	-	-	1.454,33
Marine Structure	43.893,47	-	-	43.893,47
Building and structures	59.187,04	1.692,21	-	60.879,25
Plant and machineries	288.036,95	1.823,64	(1.030,27)	288.830,31
Mining Equipment	308.712,00	-	(6.351,10)	302.360,90
Transportation / Motor vehicles	10.918,34	-	-	10.918,34
Electrical installation	41,37	-	-	41,37
Computers	9.730,57	66,66	(6.385,97)	3.411,26
Office equipment and fixture	8.140,96	205,32	6.343,17	14.689,45
	730.115,03	3.787,83	(7.424,17)	726.478,68
Construction in progress	6.957,25	7.359,67	-	14.316,92
	737.072,28	11.147,50	(7.424,17)	740.795,61
<b><u>Accumulated Depreciation</u></b>				
Marine Structure	13.635,31	2.194,67	-	15.829,98
Building and structures	28.168,15	2.643,40	-	30.811,55
Plant and machineries	110.962,99	29.268,59	(633,09)	139.598,50
Mining Equipment	236.216,44	32.995,05	(5.663,02)	263.548,47
Transportation / Motor vehicles	8.622,37	1.392,83	-	10.015,21
Electrical installation	30,77	10,34	-	41,11
Computers	3.842,77	297,21	(968,04)	3.171,94
Office equipment and fixture	5.733,52	2.797,40	925,41	9.456,33
	407.212,32	71.599,49	(6.338,74)	472.473,09
Net Book Value	329.859,95			268.322,52

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

**9. Fixed assets - continued**

	31 March 2014	Additions	Disposals	31 March 2015
<b><u>At Cost</u></b>				
Land	1.454,33	-	-	1.454,33
Marine Structure	43.893,47	-	-	43.893,47
Building and structures	59.187,04	-	-	59.187,04
Plant and machineries	287.676,55	360,40	-	288.036,95
Mining Equipment	320.501,38	660,00	(12.449,38)	308.712,00
Transportation / Motor vehicles	11.805,21	-	(886,87)	10.918,34
Electrical installation	41,37	-	-	41,37
Computers	3.266,47	6.469,74	(5,63)	9.730,57
Office equipment and fixture	7.787,93	353,03	-	8.140,96
	735.613,75	7.843,17	(13.341,88)	730.115,03
Construction in progress - Bunyu	14.200,54	(7.243,28)	-	6.957,25
Total acquisition costs	749.814,29	599,89	(13.341,88)	737.072,28
<b><u>Accumulated Depreciation</u></b>				
Marine Structure	11.440,64	2.194,68	-	13.635,32
Building and structures	22.342,79	5.825,37	-	28.168,15
Plant and machineries	80.605,15	30.357,84	-	110.962,99
Mining Equipment	188.107,61	57.481,32	(9.372,49)	236.216,44
Transportation	7.190,20	2.138,56	(706,39)	8.622,37
Electrical installation	20,43	10,34	-	30,77
Computers	2.376,12	1.470,79	(4,14)	3.842,77
Office equipment and fixture	4.145,48	1.588,04	-	5.733,52
	316.228,42	101.066,94	(10.083,02)	407.212,33
Net Book Value	433.585,87			329.859,95

**10. Investments**

	Ownership Holding		2016	2015
	No. of Shares	Percentage	Rp.	Rp.
PT. Pinta Karya Makmur	9.898	49%	4.949,00	4.949,00
PT. Coalindo Energy	300.000	5%	300,00	300,00
			5.249,00	5.249,00
Profit / (loss) on investment			(4.949,00)	(4.949,00)
			300,00	300,00

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

**11. Deferred charges**

	31 March 2015	Additions	Disposals	31 March 2016
<b><u>Costs</u></b>				
Deferred exploration and development costs	170.412,94	-	(20.530,58)	149.882,37
Deferred land compensation	79.995,35	1.336,00	-	81.331,35
Deferred financial charge	2.414,21	-	-	2.414,21
	252.822,50	1.336,00	(20.530,58)	233.627,93
<b><u>Accumulated amortisation</u></b>				
Deferred exploration and development costs	31.515,63	13.425,28	-	44.940,91
Deferred land compensation	7.752,19	3.744,48	-	11.496,67
Deferred financial charge	2.414,21	-	-	2.414,21
	41.682,03	17.169,76	-	58.851,79
Net book value	211.140,47			174.776,14

	31 March 2014	Additions	Disposals	31 March 2015
<b><u>Costs</u></b>				
Deferred exploration and development costs	173.329,34	-	-	170.412,94
Deferred land compensation	77.003,39	2.991,96	-	79.995,35
Deferred financial charge	2.414,21	-	-	2.414,21
	252.746,94	2.991,96	-	252.822,50
<b><u>Accumulated amortisation</u></b>				
Deferred exploration and development costs	18.022,43	13.493,20	-	31.515,63
Deferred land compensation	5.027,42	2.724,77	-	7.752,19
Deferred financial charge	2.406,84	7,37	-	2.414,21
	25.456,69	16.225,34	-	41.682,03
Net book value	227.290,25			211.140,47

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**12. Other non current assets**

	2016	2015
Deposit for land reclamation	22.177,54	20.602,36
Jaminan Kesungguhan	5.435,22	5.947,11
	<u>27.612,76</u>	<u>26.549,47</u>

**13 Other current liabilities**

Expenses payable	1.236,17	26.685,02
Advance from customers	785.895,03	302.704,92
Jamsostek	563,94	464,61
Other payables and accruals	2.747,10	4.598,56
	<u>790.442,24</u>	<u>334.453,11</u>

**14 Loans**

<b>Secured loans</b>		
PNC Bank	16.177,44	22.320,86
Standards Chartered Bank, Singapore	-	504.117,58
	<u>16.177,44</u>	<u>526.438,44</u>
<b>Unsecured loans</b>		
Adani Global, Singapore	210.816,45	8.873,66
	<u>226.993,89</u>	<u>535.312,10</u>

**PNC Bank**

Represents a medium term loan facility from PNC Bank, National Association ("PNC Bank"), for the total sanction amount of USD. 8.067.777.39 for financing of the purchase of one (1) Joy Mining Continuous Miner, Model 12HM27-D , with related equipments (the "equipment") and secured by guarantee from Adani Global Pte. Ltd., Singapore. Term of repayment is Fourteen (14) equal consecutive semi-annual installments commencing six (6) months after the installation of the equipment, evidenced by the installation certificate as determined by PNC Bank, but not later than 31 May 2011. The outstanding balance of the loan as of 31 March 2016 is USD1,218,547.46 (2015 USD. 1,705,966.44).

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**14 Loans - continued**

**Standard Chartered Bank, Singapore**

Represents a loan facility from Standard Chartered Bank, Singapore, for the total amount of USD. 80,000,000 and secured by 100 % shares pledge of PT Lamindo Inter Multikon, PT. Mitra Niaga Mulia, PT. Niaga Lintas Samudra..

This loan is basically an API4 Coal capped pre-paid swap structured transaction where SCB and the Counterparty will each agree to make payments based on a specified notional quantity in respect of an agreed period of time. SCB (as the Fixed Amount I Payer) will pay an upfront Fixed Amount I to the Counterparty on the Initial Payment Date which based on the present value of payments which would otherwise have been payable by SCB over the term of the swap. In return for the upfront Fixed Amount I, the counterparty will pay to SCB the predetermined Fixed Amount II on the Fixed Amount II Payment Date and during the term of the swap, the Counterparty (as the floating Price Payer) will pay to SCB a monthly Floating Amount linked to the API4 Coal price which is subject to a maximum of the Cap Price. During the current financial year Standard Chartered Bank Loan had been fully repaid. (2015, USD. 38,529,317).

**15. Provision for employee benefit**

The Company provides benefits for its employees who have reached the normal retirement age. The benefits are unfunded and based on labor law No. 13/2003. The following table summarize the components of employee benefit expenses recognized in the statements of income and balance sheets for the employee benefits liabilities calculated by PT Sigama Prima Solusindo, an independent actuary in their report dated 31 March 2016.

Movement in the benefits liability are as follows:

Beginning balance	23.845,35	15.788,13
Effect of change in accounting policy	-	-
	23.845,35	15.788,13
Actual benefit paid	(12.764,67)	(8.909,81)
Net employee benefits expense	4.364,09	6.725,85
Actuarial Gain / Loss	4.631,92	10.241,17
	20.076,69	23.845,34

The present value of employee benefits liability is calculated under projected unit credit method using the following assumptions:

Normal retirement age	55 years	55 years
Interest rate per annum	7,72%	11,00%
Annual average increase in basic salary	9,00%	10,00%

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>16. Non controlling interest</b>		
Represent Non controlling interest on shares and net income / (loss) of subsidiaries which have been consolidated, as follows :		
Shares	40,00	250,00
Net Profit / (loss)		
Beginning balance	93,37	(78,79)
Adjustments	309,43	686,80
Net profit / (loss) for the year	(380,39)	(764,64)
	22,41	(156,63)
	22,41	93,37

**17. Share capital**

The composition of the shareholders as of 31 March 2016 and 2015 are as follows:

	Ownership Hoding		2016	2015
	No. of Shares	Percentage		
<b>Authorized shares capital</b>				
<b>Serie A</b>				
Adani Global Ltd, Mauritius	1.500,00	5%	1.388,70	1.388,70
Adani Global Pte. Ltd, S'pore	28.500,00	95%	26.385,30	26.385,30
	30.000,00	100%	27.774,00	27.774,00
<b>Serie B</b>				
Adani Global Ltd, Mauritius	11.000,00	5%	10.010,00	10.010,00
Adani Global Pte. Ltd, S'pore	209.000,00	95%	190.190,00	190.190,00
	220.000,00	100%	200.200,00	200.200,00
Total Authorised share capital			227.974,00	227.974,00
<b>Issued and paid up shares capital</b>				
<b>Serie A</b>				
Adani Global Ltd, Mauritius	1.500,00	5%	1.388,70	1.388,70
Adani Global Pte. Ltd, S'pore	28.500,00	95%	26.385,30	26.385,30
	30.000,00	100%	27.774,00	27.774,00
<b>Serie B</b>				
Adani Global Ltd, Mauritius	11.000,00	5%	10.010,00	10.010,00
Adani Global Pte. Ltd, S'pore	209.000,00	95%	190.190,00	190.190,00
	220.000,00	100%	200.200,00	200.200,00
Total Issued and paid up shares capital			227.974,00	227.974,00

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**18. Additional paid-in capital**

This account represents the foreign exchange difference between the original exchange rate (Serie A: Rp 925.800 to US\$ 100 and Serie B: Rp 910.000 to US\$ 100) as specified in the Company's Articles of Association and the rate at the time capital contributions were actually received from the Shareholders.

**19. Costs of good sold**

Opening stocks - coal	147.102,80	88.384,55
Coal purchased	-	-
Direct expenses	955.044,19	950.902,19
	1.102.146,99	1.039.286,74
Less :		
Closing stoks - coal	(78.827,44)	(147.102,80)
<b>Cost of good sold</b>	<b>1.023.319,55</b>	<b>892.183,94</b>

**20. Direct expenses**

Salaries	173.840,79	185.098,21
Solar, fuel, oil and gas expenses	151.833,10	205.760,71
Depreciation of fixed assets	71.599,50	101.066,93
Crane charges	65.520,20	100.994,81
OB removal service	251.010,88	80.323,72
Rental equipment charges	27.708,77	58.355,21
Dump truck expenses	47.610,16	56.084,56
Barges rental	59.975,74	46.846,00
Excavator expenses	21.438,88	25.200,46
Stevedoring expenses	14.826,60	18.699,33
Dozer expenses	6.880,87	12.997,69
Coal handling plant expenses	16.235,72	9.771,13
<b>Total - brought forward</b>	<b>908.481,21</b>	<b>901.198,76</b>

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>20. Direct expenses - continued</b>		
Total - carried forward	908.481,21	901.198,76
Site building jetty and road maintenace	9.675,62	7.746,13
Insurance expenses operating	3.194,06	6.527,42
Transport spares	4.775,78	6.421,19
Drilling and exploration services	871,07	4.612,62
Testing and analysis	3.989,09	3.940,64
Pick up expenses	1.705,45	2.918,46
Solar for barges	-	2.262,23
Barge loading, barge survey and barge managing expenses	1.855,04	1.825,80
Demurrage expense	12.565,38	-
Generator expenses	6.348,29	234,20
Others	1.583,20	13.214,74
	<b>955.044,19</b>	<b>950.902,19</b>

**21. General and administrative expenses**

Royalty	26.078,03	23.461,50
Amortisation of deferred expenses	17.169,76	16.225,35
Travelling and conveyance expenses	15.372,92	15.435,96
Fooding expenses	9.592,80	11.808,69
Office expenses	5.650,36	6.523,95
Legal and professional fees	5.748,40	4.454,99
Telephone and fax expenses	4.530,41	4.681,63
Reclamation and CSR	3.480,61	2.254,35
Honorarium	2.592,57	2.138,77
Rates and taxes	2.565,14	959,09
Miscellaneous exp	9.351,03	-
Others	1.928,66	(1.011,46)
<b>Total general and administrative expenses</b>	<b>104.060,69</b>	<b>86.932,82</b>

**PT Adani Global and subsidiaries**  
**Notes to the Consolidated Financial Statements - continued**

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>22. Other income (expenses)</b>		
Foreign exchange gain /(loss)	4.625,29	(104.791,66)
Interest expenses	(4.913,09)	(41.985,35)
Profit /(loss) on disposal of fixed assets	3.862,56	(1.579,48)
Bank charges	(1.242,22)	(600,66)
Sundry balances written off	(189,39)	(39,10)
Dividend income	48,00	55,53
Sales of scrap	-	104,11
Interest income on current account	1.172,25	1.186,92
Others income (expenses)	711,84	20,63
	<b>4.075,24</b>	<b>(147.629,06)</b>

**23. Related party transactions and balances**

**Balances :**

Adani Global PTE Singapore - unsecured loans	210.816,45	8.873,66
PT Pinta Karya Makmur	237.972,30	41.402,94

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Statements of Financial Position**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015 - Restated
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	103,27	95,44
Trade receivables		5.015,85	4.002,55
Inventories	3	745,01	745,01
Short term loans and advances	4	11.279,40	5.225,91
<b>Total current assets</b>		<b>17.143,53</b>	<b>10.068,91</b>
<b>Non current assets</b>			
Loans and advances	5	377.181,82	216.081,98
Prepaid taxes	6a	3.044,17	4.840,69
Fixed assets - net	7	30.071,39	36.110,10
Investments	8	7.848,00	18.138,00
Deferred charges	9	5.041,60	7.554,72
Deferred tax asset	6d	9.209,74	1.748,92
<b>Total non current assets</b>		<b>432.396,72</b>	<b>284.474,41</b>
<b>Total assets</b>		<b>449.540,25</b>	<b>294.543,32</b>
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		6.596,47	577,78
Taxes payable	6b	4.086,53	3.498,58
Other current liabilities	10	133,26	141,14
<b>Total current liabilities</b>		<b>10.816,26</b>	<b>4.217,50</b>
Loans	11	210.538,08	24.152,62
Provision for employee benefit	12	1.426,99	1.556,03
<b>Total liabilities</b>		<b>222.781,33</b>	<b>29.926,15</b>
<b>Shareholders' equity</b>			
Share capital :			
Authorized capital : 30.000 shares of Serie A with par value of Rp 925.800 (US\$ 100) per share and 220.000 shares of serie B with par value of Rp 910.000 (US\$ 100) per share.			
Issued and paid up capital : 30.000 shares of serie A and 220.000 shares of Serie B		227.974,00	227.974,00
Additional paid in capital		3.574,85	3.574,85
Retained earnings / (deficit)		(4.789,93)	33.068,32
<b>Total shareholders' equity</b>		<b>226.758,92</b>	<b>264.617,17</b>
<b>Total liabilities and shareholders' equity</b>		<b>449.540,25</b>	<b>294.543,32</b>

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Statements of Comprehensive income**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	Notes	2016	2015
<b>Revenues</b>			
Coal handling charges		-	-
Coal mining services		-	-
Drilling charges		-	-
Equipments rental		-	-
Income from rental services		6.000,00	9.000,00
		6.000,00	9.000,00
Direct expenses	13	(30.184,85)	(27.338,34)
Gross profit / (loss)		(24.184,85)	(18.338,34)
Operating expenses			
General and administrative expenses	14	(28.964,48)	(3.898,94)
Operating profit / (loss)		(53.149,33)	(22.237,28)
Other income / (expenses) - net	15	17.818,36	12.370,03
Profit / (loss) on investment		(10.290)	0,00
Profit / (loss) before income tax		(45.620,97)	(9.867,25)
Corporate income tax			
Current		-	-
Deferred	6d.	7.536,29	2.076,86
		7.536,29	2.076,86
Net profit		(38.084,68)	(7.790,39)
Other comprehensive income / (loss)			
Remeasurement of post employment benefit		301,90	(344,11)
Diferred income tax		(75,47)	86,03
Total comprehensive income / (loss)		(37.858,25)	(8.048,47)

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Statements of Changes in shareholders' equity**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>Share Capital:</b>		
Beginning balance	227.974,00	227.974,00
Movement	-	-
Ending balance	227.974,00	227.974,00
<b>Additional paid in capital:</b>		
Beginning balance	3.574,85	3.574,85
Adjustment	-	-
Ending balance	3.574,85	3.574,85
<b>Accumulated loss</b>		
Beginning balance	33.068,32	41.116,79
Net loss for the period	(37.858,25)	(8.048,47)
Ending balance	(4.789,93)	33.068,32
<b>Total</b>	<b>226.758,92</b>	<b>264.617,17</b>

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Statements of Cash flows**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
<b>Cash flows from operating activities</b>		
Profit/(loss) before income tax	(45.319,07)	(10.211,36)
Adjustments to reconcile profit before corporate income tax to net cash provided by operating activities:		
Depreciation of fixed assets	6.038,72	6.328,24
Amortisation of deferred expenses	2.513,11	2.588,41
Provision for employee benefit	(129,04)	273,54
Unrealised foreign exchange gain/(loss)	16.920,20	(52.486,39)
Interest income	(3,63)	(4,19)
Operating profit before working capital changes	(19.979,71)	(53.511,75)
(Increase) / decrease in:		
Trade receivables	(1.013)	(1.965)
Prepaid taxes	1.797	2.245,52
Short term loans and advances	(6.053)	(1.564,02)
Loans and advances	(161.100)	93.323,12
Increase / (decrease) in:		
Trade payables	6.018,69	(4.785,22)
Taxes payable	587,95	521,74
Other current liabilities	(7,88)	139,79
Net cash from (used for) operating activities	(179.751,05)	34.404,41
<b>Cash flows from investing activities</b>		
Investments in subsidiaries - disposed off	10.290,00	-
Interest income received	3,63	4,19
Net cash used for investing activities	10.293,63	4,19
<b>Cash flows from financing activities</b>		
Proceeds from loans	169.465,25	(34.930,71)
Net cash from financing activities	169.465,25	(34.930,71)
Increase in cash and cash equivalents	7,83	(522,13)
Cash and cash equivalents - at the beginning of year	95,43	617,56
Cash and cash equivalents - at the end of year	103,26	95,43

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	2016	2015
--	------	------

**1. Re-statements of financial statements**

The revised accounting standard for employee benefit (PSAK 24) introduces changes to the recognition, measurement, presentation and disclosure of post-employment benefits. The standard also requires net interest expense/income to be calculated as the product of the net defined benefit liability/asset and the discount rate as determined at the beginning of the year. The effect of this is to remove the previous concept of recognising an expected return on plan assets.

As the Actuary has already calculated the net interest income / expense in their calculation, there was no change in the Company's financial position as of 31 March 2015. The changes in the Company's statements comprehensive income for the year ended 31 March 2015 are as follows:

	Before restatement	After re-stated	different
Direct expenses	27.682,45	27.338,34	344,11
Deferred tax	(2.162,89)	(2.076,86)	(86,03)
Other comprehensive income - net of tax	-	258,08	(258,08)

**2. Cash and cash equivalents**

Cash	-	0,00
Bank	103,27	95,44
	103,27	95,44

**3. Inventories**

Spares miner machine	745,01	745,01
	745,01	745,01

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - *continued***

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	2016	2015
<b>4. Short term loans and advances</b>		
Prepaid tax	3.063,00	2.453,45
Prepaid expenses	4.505,50	1.314,48
Advances to supplier	3.012,75	756,36
Deposits - rental and others	329,94	335,44
Prepaid insurances	204,92	288,90
Insurances receivables	29,97	29,97
Staff advances	133,32	47,31
	11.279,40	5.225,91
<b>5. Loans and advances</b>		
Loan to group company	287.490,01	120.297,81
Interest receivables	89.316,81	93.284,17
Capital advances	375,00	2.500,00
	377.181,82	216.081,98
<b>6. Taxes</b>		
<b>a. Prepaid taxes</b>		
Prepaid corporate income tax	3.044,17	4.840,69
	3.044,17	4.840,69
<b>b. Taxes payable</b>		
Income tax article 21	950,92	963,03
Income tax article 23	3,78	1,84
Income tax article 4/2	0,15	2,03
Value added tax payable	3.131,68	2.531,68
	4.086,53	3.498,58

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

**6. Taxes - continued**

**b. Corporate income tax - current**

Net profit / (loss) before corporate income tax	(45.319,07)	(10.211,36)
Add / (less) :		
Permanent difference	11.198,95	572,41
Timing difference	3.938,71	3.502,82
Taxable income / (expenses)	(30.181,41)	(6.136,13)
Less: tax loss carried forward	(3.587,99)	2.548,15
Taxable income / (expenses)	(33.769,40)	(3.587,98)
Income tax thereon		
- current year	-	-
- Deferred tax (assets) / liabilities (see note 6d)	(7.536,29)	(2.076,86)
Corporate income tax	(7.536,29)	(2.076,86)

**c. Corporate income tax payable**

Beginning balance	4.840,69	7.086,21
Corporate income tax - current year	-	-
	4.840,69	7.086,21
Less payments during the year :		
Income tax art 25	-	-
Adjustments	(1.796,52)	(2.245,52)
	(1.796,52)	(2.245,52)
<b>Ending balance - (Over)/under payment</b>	<b>3.044,17</b>	<b>4.840,69</b>

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

**6. Taxes - continued**

**d. Deferred tax assets / (liabilities)**

Represents the income tax for temporary differences in calculating the company's income tax, detailed as follows :

	31 March 2015	Additions	Disposals	31 March 2016
Timing difference:				
Depreciation of fixed assets	(891,93)	1.554,63	-	662,70
Amortisation of deferred expense	(6.657,75)	2.513,11	-	(4.144,64)
Provision for employee benefits	1.556,03	129,03	-	1.685,06
	(5.993,65)	4.196,77	0,00	(1.796,88)
Less : Carried forward tax losses	12.989,34	30.181,42	(4.534,93)	38.635,83
	6.995,69	34.378,19	(4.534,93)	36.838,95
Deferred tax assets / (liabilities) at 25%	1.748,92	8.594,55	(1.133,73)	9.209,74

**7. Fixed assets**

	31 March 2015	Additions	Disposals	31 March 2016
<b><u>At Cost</u></b>				
Plant and machineries	14.764,08	-	-	14.764,08
Mining Equipment	45.358,79	-	-	45.358,79
Computers	913,46	-	-	913,46
Office equipment and fixture	2.182,49	-	-	2.182,49
Transportation / Motor vehicles	490,28	-	-	490,28
Electrical installations	41,37	-	-	41,37
	63.750,47	-	-	63.750,47
<b>Accumulated Depreciation</b>				
Plant and machineries	6.173,94	1.456,37	-	7.630,31
Mining Equipment	17.895,65	4.535,88	-	22.431,53
Computers	891,46	15,52	-	906,98
Office equipment and fixture	2.158,26	20,61	-	2.178,87
Transportation / Motor vehicles	490,28	-	-	490,28
Electrical installations	30,77	10,34	-	41,11
	27.640,36	6.038,72	-	33.679,08
Net Book Value	36.110,11			30.071,39

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

	31 March 2014	Additions	Disposals	31 March 2015
<b><u>At Cost</u></b>				
Plant and machineries	14.764,08	-	-	14.764,08
Mining Equipment	45.358,79	-	-	45.358,79
Computers	913,46	-	-	913,46
Office equipment and fixture	2.182,49	-	-	2.182,49
Transportation / Motor vehicles	720,71	-	(230,43)	490,28
Electrical Installaion	41,37	-	-	41,37
	63.980,90	-	(230,43)	63.750,47
<b><u>Accumulated Depreciation</u></b>				
Plant and machineries	4.714,91	1.459,03	-	6.173,94
Mining Equipment	13.359,77	4.535,88	-	17.895,65
Computers	828,58	62,88	-	891,46
Office equipment and fixture	1.929,17	229,09	-	2.158,26
Transportation / Motor vehicles	689,70	31,01	(230,43)	490,28
Electrical Installaion	20,43	10,34	-	30,77
	21.542,56	6.328,23		27.640,36
Net Book Value	42.438,34	(6.328,23)	(230,43)	36.110,11

**8. Investments**

	2016	2015
PT. Adani Sumsel	-	10.290,00
PT. Coalindo Energy	100,00	100,00
PT. Coal Indonesia	1.490,00	1.490,00
PT. Energy Resources	1.937,00	1.937,00
PT. Mundra Coal	1.490,00	1.490,00
PT. Pinta Karya Makmur	4.949,00	4.949,00
PT. Sumber Bara	2.831,00	2.831,00
	12.797,00	23.087,00
Loss on investments in associated companies	(4.949,00)	(4.949,00)
	7.848,00	18.138,00

Investments in subsidiaries company are stated at cost, while investments in associated companies are stated with equity method,

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in million of Rupiah*

**9. Deferred charges**

	31 March 2015	Additions	Disposals	31 March 2016
<b>Costs</b>				
Deferred exploration and development costs - Bunyu	25.146,52	-	-	25.146,52
Deferred financial charge	2.414,21	-	-	2.414,21
	27.560,73	-	-	27.560,73
<b>Accumulated amortisation</b>				
Deferred exploration and development costs - Bunyu	17.591,80	2.513,11	-	20.104,92
Deferred financial charge	2.414,21	-	-	2.414,21
	20.006,01	2.513,11	-	22.519,13
<b>Net book value</b>	7.554,72			5.041,60
	31 March 2014	Additions	Disposals	31 March 2015
<b>Costs</b>				
Deferred exploration and development costs - Bunyu	25.146,52	-	-	25.146,52
Deferred financial charge	2.414,21	-	-	2.414,21
	27.560,73	-	-	27.560,73
<b>Accumulated amortisation</b>				
Deferred exploration and development costs - Bunyu	15.010,76	2.581,04	-	17.591,80
Deferred financial charge	2.406,84	7,37	-	2.414,21
	17.417,60	2.588,41	-	20.006,01
<b>Net book value</b>	10.143,13			7.554,72

**10. Other current liabilities**

	2016	2015
Expenses payable	29,25	5,94
Jamsostek	62,44	58,88
BPJS payable	0,77	-
Other payables and accruals	40,80	76,32
	133,26	141,14

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	2016	2015
<b>11. Loans</b>		
Secured loans		
PNC Bank	16.177,44	22.320,86
	16.177,44	22.320,86
Adani Global Pte Ltd - Singapore	194.360,64	1.831,76
	194.360,64	1.831,76
	210.538,08	24.152,62

**12. Provision for employee benefit**

The Company provides benefits for its employees who have reached the normal retirement age. The benefits are unfunded and based on labor law No. 13/2003. The following table summarize the components of employee benefit expenses recognized in the statements of income and balance sheets for the employee benefits liabilities calculated by PT Sigma Prima Solusindo, an independent actuary in their report dated 31 March 2016.

Movement in the benefits liability are as follows:

Beginning balance	1.556,03	1.282,49
Effect of change in accounting policy	-	-
	1.556,03	1.282,49
Benefit paid	(128,31)	(497,31)
Net employee benefits expense	301,17	426,74
Actuarial Gain / Loss	(301,90)	344,11
Closing balance	1.426,99	1.556,03

The present value of employee benefits liability is calculated under projected unit credit method using the following assumptions:

Normal retirement age	55 years	55 years
Interest rate per annum	7,72%	11,00%
Annual average increase in basic salary	9,00%	10,00%

**Supplementary informations**  
**PT Adani Global - Holding company**  
**Details of Significant Accounts in the Statements of Comprehensive Income**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	2016	2015
<b>13. Direct expenses</b>		
Salaries	22.681,58	20.378,24
Depreciation of fixed assets	6.038,72	6.328,23
Insurance Expense - operating	411,67	370,98
Others	1.052,88	260,89
	<b>30.184,85</b>	<b>27.338,34</b>
<b>14. General and administrative expenses</b>		
Amortisation of deferred expenses	2.513,11	2.588,41
Legal and professional fees	781,53	376,70
Office expenses	3.100,53	2.769,09
Travelling expenses	614,46	500,46
Others	21.954,85	(2.335,72)
	<b>28.964,48</b>	<b>3.898,94</b>
<b>15. Other income (expenses)</b>		
Foreign exchange gain /(loss)	15.559,49	6.692,30
Profit /(loss) on disposal of fixed assets	-	59,09
Interest income on current account	3,63	4,19
Interest income others	2.834,32	6.282,60
Interest expense - other	(544,29)	(594,72)
Bank charges	(50,93)	(91,97)
Loss on disposal of fixed assets	-	59,09
Deviden income	16,00	18,51
Others	0,14	(59,06)
	<b>17.818,36</b>	<b>12.370,03</b>