



ADANI

Our Vision

Be an entrepreneurial globally preferred business associate with responsible concern for ecology, society and stakeholders' value.

Our Mission

To develop, assimilate and manage knowledge; to apply the acquired expertise across the globe, for benefit of stakeholders; to do so profitably.

BUSINESS *of* SUCCESS



ADANI

BOARD OF DIRECTORS

Shri Gautam S. Adani, *Chairman*
Shri Rajesh S. Adani, *Managing Director*
Shri Vasant S. Adani
Shri Pradeep Mittal, *Whole time Director*
Shri Jay H. Shah
Dr. Pravin P. Shah
Dr. A. C. Shah
Shri C. R. Shah (*upto 23.04.2008*)

AUDITORS

M/s. Dharmesh Parikh & Co.
Chartered Accountants
Ahmedabad.

BANKERS

State Bank of India, Ahmedabad.
Bank of India, Ahmedabad.
State Bank of Travancore, Ahmedabad.
State Bank of Hyderabad, Ahmedabad.
State Bank of Saurashtra, Ahmedabad.
Bank of Baroda, Ahmedabad.
Punjab National Bank, Ahmedabad.
Canara Bank, Ahmedabad.
Uco Bank, Ahmedabad.
Syndicate Bank, Ahmedabad.
Oriental Bank of Commerce, Ahmedabad.
ICICI Bank Ltd., Mumbai.
Standard Chartered Bank, Mumbai.
Allahabad Bank, Ahmedabad.

REGISTERED OFFICE

'Adani House'
Nr. Mithakhali Six Road,
Navrangpura, Ahmedabad - 380009.

SHARE TRANSFER AGENT

Pinnacle Shares Registry Pvt. Ltd.
Nr. Ashoka Mills Ltd., Naroda Road,
Ahmedabad - 380025.
Tel. No.: +91 - 79 - 2220 4226,
2220 0591, 2220 0582
Fax : +91 - 79 - 2220 2963

SHARES LISTED AT

The National Stock Exchange of India Ltd.,
Mumbai.
Bombay Stock Exchange Ltd., Mumbai.

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NOTICE

NOTICE is hereby given that 16th Annual General Meeting of Adani Enterprises Limited will be held on Friday, 26th September, 2008 at 10.00 a.m. at Bhaikaka Bhavan, Law Garden, Ellisbridge, Ahmedabad – 380 006 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2008 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Dr. Pravin P. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Jay H. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad, as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Audit Committee / Board of Directors of the Company.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution **as an Ordinary Resolution** :

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby accords its approval to the re-appointment of Shri Gautam S. Adani as Executive Chairman of the Company for a period of five years w.e.f. 01/12/2008 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as the total remuneration payable to him shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Shri Gautam S. Adani.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Gautam S. Adani within such prescribed limit or ceiling and as agreed by and between the Company and Shri Gautam S. Adani without any further reference to the Company in General Meeting.



RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to take such steps as may be necessary to give effect to this Resolution.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 198, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 and in partial modification of the resolution passed at the Annual General Meeting held on 12th August, 2005 regarding payment of remuneration to Shri Rajesh S. Adani, Managing Director of the Company, the Company hereby accords its approval to the revision in remuneration of Shri Rajesh S. Adani, Managing Director with effect from 1st October, 2008 for the remaining period of his term of office i.e. upto 10th June, 2010 on the terms and conditions of remuneration as set out in the explanatory statement attached hereto and forming part of this notice.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Rajesh S. Adani within such prescribed limit or ceiling and as agreed by and between the Company and Shri Rajesh S. Adani without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to take such steps as may be necessary to give effect to this Resolution.”

Regd. Office :
"Adani House",
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009.
Dated : 28th May, 2008.

For and on behalf of the Board

Gautam S. Adani
Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER.**
2. **THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. As per clause 49 of the listing agreement(s), informations regarding re-appointment of directors (Item Nos. 3, 4 & 6) and explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of special businesses (Item Nos. 6 & 7) are annexed hereto.
4. The Register of members and share transfer books of the Company will remain closed from 20th September, 2008 to 26th September, 2008 (both days inclusive) to determine the entitlement of the shareholders to receive dividend for the year 2007-08.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
7. Members are requested to bring their copy of Annual Report at the meeting.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the Registrar and Share Transfer Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's share transfer agent M/s. Pinnacle Share Registry Pvt. Ltd., Near Asoka Mills Ltd., Naroda Road, Ahmedabad – 380 025, for nomination form by quoting their folio number.
10. The balance lying in the unpaid dividend account of the Company in respect of dividend for the financial year 2000-01 will be transferred to the Investor Education and Protection Fund of the Central Government by November, 2008. Members who have not encashed their dividend warrants pertaining to the said year may approach the share transfer agent of the Company for obtaining payments thereof by 31st October, 2008.



**ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956
ITEM NO. 6**

Re-Appointment of Shri Gautam S. Adani as Executive Chairman

The members at the Eleventh Annual General Meeting of the Company held on 27th September, 2003 re-appointed Shri Gautam S. Adani as Executive Chairman for a period of 5 years with effect from 1st December, 2003 on the terms and conditions as approved by them. The term of his present appointment will expire on 30th November, 2008. The Remuneration Committee at its meeting held on 28th May, 2008 recommended and the Board at its meeting held on 28th May, 2008 have re-appointed him as Executive Chairman for a further period of five years with effect from 1st December, 2008 on the following terms and conditions, subject to the approval of the shareholders in General Meeting.

SHRI GAUTAM S. ADANI : EXECUTIVE CHAIRMAN

PERIOD OF APPOINTMENT : 5 YEARS WITH EFFECT FROM 1ST DECEMBER, 2008

SALARY : Rs. 10,00,000/- (Rupees Ten Lacs Only) per month in the scale of Rs. 10,00,000-55,000-15,00,000/- per month.

COMMISSION

Upto 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 349 of the Companies Act, 1956 subject to the over all ceiling laid down in Sections 198 and 309 of the Companies Act, 1956.

PERQUISITES

CATEGORY - A

(a) Medical benefit

Reimbursement of the medical expenses incurred for self and family as per the policy of the Company.

(b) Leave Travel Concession

For self and family once in a year including one foreign trip in accordance with the rules of the Company.

(d) Club fees

Annual fees of club subject to a maximum of two clubs. This will not include admission and life membership fees.

(e) Personal Accident Insurance

Personal Accident Insurance of an amount the annual premium of which shall not exceed Rs. 10,000/-.

CATEGORY – B

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity will be paid as per applicable laws and rules of the Company.

CATEGORY -C

The Company shall provide a car with driver for official and personal use. Telephone at residence will be provided, the cost of which will be borne by the Company.

Notwithstanding anything contained above, where in any Financial Year during the currency of the tenure of the Executive Chairman, the Company has no profits or its profits are inadequate, the Company will pay remuneration as specified above but not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

The Executive Chairman shall not be liable to retire by rotation and shall not be paid any sitting fees for attending any meetings of Board or Committees thereof.

Shri Gautam S. Adani has been associated with the Company since incorporation and has over 25 years of varied experience in manufacturing and trading. He had joined the family business of trading in textiles in the early eighties while completing his education. Ever since there has been no looking back for the 46 year old visionary. His tremendous foresight, the dynamic and enterprising unparalleled expertise in international trade, solution oriented approaches, innovation and endurance in an increasingly competitive and rapidly expanding trading market has seen the Adani group metamorphose itself from a trading house to an infrastructure builder and basic utility provider. Under his able leadership and guidance the Company has achieved the turnover worth Rs. 11,625 crores for the year 2007-08 from Rs. 2873 crores in the year 2002-03 and profitability of Rs. 312 crores for the year 2007-08 from Rs. 88 crores in the year 2002-03. The Board of Directors felt that it is in the interest of the Company to continue to avail services of Shri Gautam S. Adani as Executive Chairman.

The Board recommends this resolution for your approval.

Shri Gautam S. Adani is deemed to be interested in the said resolution as it relates to his re-appointment. Shri Vasant S. Adani and Shri Rajesh S. Adani being relatives are also interested in the said resolution.

None of the other Directors of the Company is in any way concerned or interested in the above resolution.

This alongwith the relevant resolution may be treated as an Abstract pursuant of Section 302 of the Companies Act, 1956.

ITEM NO. 7

The terms of appointment of Shri Rajesh S. Adani, Managing Director of the Company as approved by the members at the Annual General Meeting of the Company held on 12th August, 2005, inter alia, provide for increase in remuneration payable to him.



In view of increased duties and responsibilities due to business complexities and looking to the progress made by the Company under his leadership and guidance, the Board of Directors of the Company on recommendation of the remuneration committee at its meeting held on 28th May, 2008 revised the remuneration payable to Shri Rajesh S. Adani, Managing Director of the Company with effect from 1st October, 2008 for the remaining period of his term of office i.e. upto 10th June, 2010, The remuneration committee at its meeting held on 28th May, 2008 recommended to the Board for revision in remuneration mentioned as under :

SHRI RAJESH S. ADANI : MANAGING DIRECTOR

SALARY : Rs. 14,00,000/- (Rupees Fourteen Lacs Only) per month in the scale of Rs. 14,00,000-75,000-20,00,000/- per month with effect from 1st October, 2008 for the remaining period of his term of office i.e. upto 10th June, 2010.

COMMISSION

Upto 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 349 of the Companies Act, 1956 subject to the over all ceiling laid down in Sections 198 and 309 of the Companies Act, 1956.

PERQUISITES

CATEGORY -A

(a) Medical benefit

Reimbursement of the medical expenses incurred for self and family as per the policy of the Company.

(b) Leave Travel Concession

For self and family once in a year including one foreign trip in accordance with the rules of the Company.

(d) Club fees

Annual fees of club subject to a maximum of two clubs. This will not include admission and life membership fees.

(e) Personal Accident Insurance

Personal Accident Insurance of an amount the annual premium of which shall not exceed Rs. 10,000/-.

CATEGORY – B

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity will be paid as per applicable laws and rules of the Company.

CATEGORY -C

The Company shall provide a car with driver for official and personal use. Telephone at residence will be provided the cost of which will be borne by the Company.

Notwithstanding anything contained above, where in any Financial Year during the currency of the tenure of the Managing Director the Company has no profits or its profits are inadequate, the Company will pay remuneration as specified above but not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

Other terms and conditions of appointment of Shri Rajesh S. Adani as Managing Director of the Company will remain unchanged.

The Board recommends this resolution for your approval.

Shri Rajesh S. Adani is deemed to be interested in the said resolution as it relates to his remuneration. Shri Gautam S. Adani and Shri Vasant S. Adani being relatives are also interested in the said resolution.

None of the other Directors of the Company is in any way concerned or interested in the above resolution.

This alongwith the relevant resolution may be treated as an Abstract pursuant of Section 302 of the Companies Act, 1956.

Regd. Office :

"Adani House ",
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009
Dated : 28th May, 2008.

For and On behalf of the Board

Gautam S. Adani
Chairman

Details of Directors Seeking Re-appointment.

Name	Shri Gautam S. Adani	Dr. Pravin P. Shah	Shri Jay H. Shah
Date of Birth	24 th June, 1962 – 46 years	11 th November, 1944 – 64 Years	19 th January, 1958 – 50 Years
Appointed on	2 nd March, 1993	28 th January, 1994	20 th June, 1995
Qualifications	S.Y.B. Com.	B.Com, FCA, Grad. ICWA, Ph.D. (Cost Accounting)	B. Com, LL. B.
Expertise in specific	<p>A man of tremendous foresight, the dynamic and enterprising Shri Gautam S Adani has over 25 years of varied experience in manufacturing and trading. He joined the family business of trading in textiles in the early eighties while completing his education. Ever since there has been no looking back for the 46 year old visionary. His unparalleled expertise in international trade, solution oriented approaches, innovation and endurance in an increasingly competitive and rapidly expanding trading market has seen the Adani Group metamorphose itself from a trading house to an infrastructure builder and basic utility provider.</p>	<p>Aged 64 years, Dr. Pravin P. Shah is a Practising Chartered Accountant and the proprietor of the renowned firm M/s. Pravin P. Shah & Associates, a firm of Chartered Accountants. He has over 38 years of experiences in areas of financial consultancy, taxation, valuation, property matters, accounting, auditing, corporate laws and FEMA. He has also authored books on Costing, Management Strategies and Taxation. His latest published book is "Billion Dollar Companies". He has also contributed technical papers on taxation, valuation, financial management, Company Law, Acquisitions & Mergers, Stamp duty and Others at various conferences and published in professional journals, business magazines and financial newspapers in India and U.S.A.</p>	<p>The 50 year old law graduate, Shri Jay H Shah, has been with the company since its inception. Acknowledged by one and all in the company to possess the acumen of an artful trader, his connections and global sourcing skills have earned him a reputation in the chemicals and petrochemicals business.</p>
Directorships held in other Public Companies (Other than Adani Enterprises Ltd.)	<ul style="list-style-type: none"> · Mundra Port and Special Economic Zone Ltd. · Adani Power Ltd. · Adani Energy Ltd. · Adani Wilmar Ltd. · Adani Logistics Ltd. · Adani Welspun Exploration Ltd. · Dholera Port And Special Economic Zone Ltd. · Adani Power Maharashtra Ltd. · Adani Power Rajasthan Ltd. · Adani Power Dahej Ltd. 	<ul style="list-style-type: none"> · Bhansali Engineering Polymers Ltd. · Bombay Rayon Fashions Ltd. · Claris Lifesciences Ltd. · JM Financial Ltd. · Jai Corp Ltd. 	-

Details of Directors Seeking Reappointment.

Name	Shri Gautam S. Adani	Dr. Pravin P. Shah	Shri Jay H. Shah
Memberships/ Chairmanships of Committees across Public Companies	Audit Committee: <ul style="list-style-type: none"> · Adani Wilmar Ltd. · Adani Logistics Ltd. · Adani Energy Ltd. 	Audit Committee: <ul style="list-style-type: none"> · Adani Enterprises Ltd. · Bombay Rayon Fashions Ltd. · Bhansali Engineering Polymers Ltd. · Claris Lifesciences Ltd. · JM Financial Ltd. Remuneration Committee <ul style="list-style-type: none"> · Adani Enterprises Ltd. · Bombay Rayon Fashions Ltd. · Claris Lifesciences Ltd. · JM Financial Ltd. 	Audit Committee: Adani Enterprises Ltd. Shareholder's/Investors Grievances Committee: Adani Enterprises Ltd. Remuneration committees Adani Enterprises Ltd.
No. of Shares held in the Company	NIL	6000	NIL

DIRECTORS REPORT

Your Directors have pleasure in presenting the 16th Annual Report of the Company along with the audited statement of accounts for the year ended March 31, 2008.

FINANCIAL RESULTS

The Financial Results of your Company for the year ended 31st March, 2008, are as follows:

(Rs. In Crores)

Year Ended March 31 st	Standalone		Consolidated	
	2008	2007	2008	2007
Sales and operating earnings	11595.44	10151.66	19609.71	16949.06
Other income	29.17	3.99	39.00	4.16
Gross Profit before Depreciation, Interest and Tax	518.14	348.89	755.04	473.90
Finance charges	154.38	143.68	277.01	228.58
Depreciation	11.25	6.90	44.77	16.33
Profit before Tax	352.51	198.31	433.26	228.99
Tax	40.44	47.62	57.26	51.64
Share of Minority Interest and Share of Loss from Associate	-	-	6.25	4.07
Net Profit	312.07	150.69	369.75	173.28
Surplus brought forward from previous year	371.61	323.85	474.14	403.79
Balance available for appropriations	683.68	474.54	843.89	577.07
Appropriations:				
Dividend on Equity Shares:				
- Final	14.79	-	14.79	-
- Interim	-	11.34	-	11.34
Tax on Dividend	2.51	1.59	2.51	1.59
Transfer to General Reserve	50.00	30.00	70.00	30.00
Transfer to Debenture Redemption Reserve	10.00	60.00	10.00	60.00
Balance carried to Balance Sheet	606.38	371.61	746.59	474.14
Total	683.68	474.54	843.89	577.07

PERFORMANCE OF YOUR COMPANY

➤ Standalone:

Your Company posted another record performance in fiscal 2008 and posted strong growth in all segments.

On a standalone basis, your Company achieved a turnover of Rs. 11,624.61 Crores as compared to Rs. 10155.65 Crores in the previous year registering a growth of 14%. The net profit after tax stood at Rs. 312.07 crores compared to Rs. 150.69 crores in the previous year registering a growth of 107%.

The EPS of the Company as at 31st March, 2008 was Rs. 12.66/-.

➤ **Consolidated :**

The consolidated turnover is Rs.19648.71 crores as compared to Rs. 16953.22 crores in the previous year registering a growth of 16%. The consolidated net profit after tax and minority interest is Rs. 369.75 crores as compared to Rs. 173.28 crores in the previous year.

The Consolidated Financial Statements of the Company prepared as per Accounting Standards AS 21 and AS 23 prescribed by the Institute of Chartered Accountants of India and Clause 32 of the Listing Agreement have also been included and form part of this Annual Report. The consolidated networth of the Company as at March 31, 2008 is Rs. 2117.71 crores as compared to Rs. 1146.95 crores in the previous year registering a growth of 85%.

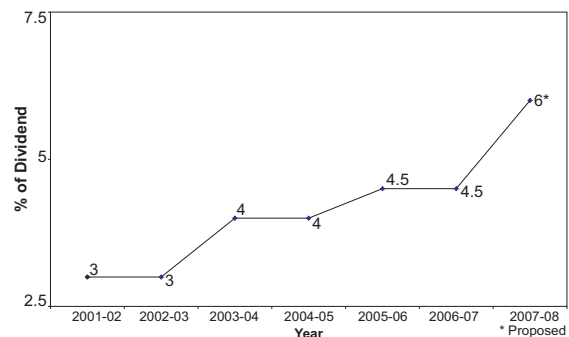
A detailed discussion of the performance of operations of your Company is given under “Management Discussion and Analysis Report”, which forms part of this report.

DIVIDEND ON EQUITY SHARES

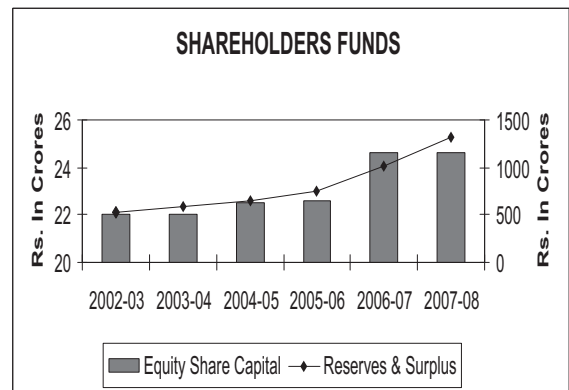
For the year under review, the Board of Directors of your Company are pleased to recommend dividend of Re.0.60 per share i.e. 60% on 24,64,86,975 fully paid up Equity Shares of the Company. The total Dividend Payout will be Rs. 17.30 crores which includes Corporate Dividend Tax of Rs.2.51 Crores. If this is approved at the Annual General Meeting, the dividend warrants will be dispatched to the shareholders holding shares on the book closure date within 30 days from the AGM. The shareholders holding shares on book closure date including shareholders holding shares to be issued upon conversion of FCCBs will be entitled for full dividend for the year 2007-08.

The dividend will be tax-free in the hands of the shareholders.

CONSISTENT DIVIDEND PAYMENT TRACK RECORD



SHAREHOLDERS FUNDS





SEGMENT REPORTING

Your Company is a “**Five Star Export House**” with operations covering a wide range of commodity groups like Agro, Energy, Metals & Minerals and others with shipping forming backbone to its businesses. In view of the integrated nature of business in its entirety, there are no separate segments within the Company as defined by Accounting Standard 17 (Segmental Reporting) issued by the ICAI.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

SECURITIES OF THE COMPANY

During the year ended 31st March, 2008, the Equity Shares of your Company were delisted from The Ahmedabad Stock Exchange, Ahmedabad with effect from 20th December, 2007. The resolution for the delisting of shares was approved by the shareholders at the 15th Annual General Meeting of the Company held on 29th September, 2007.

The equity shares of your Company are continue to be listed on Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd., (NSE) and are actively traded. The listing fees for the year 2008-09 have been paid before the due dates. The Foreign Currency Convertible Bonds (FCCBs) issued by your Company during January, 2007 are listed on the Singapore Exchange Ltd. Singapore.

Your Company's shares are compulsorily traded in the dematerialized form. The ISIN number allotted to the shares of your Company is **INE423A01024**. The details of shareholding pattern, distribution of shareholding and share prices of the Company as on 31st March, 2008 are separately mentioned in the Corporate Governance Report.

During the year, M/s. Adani Infrastructure Services Pvt. Ltd., (AISPL) a promoter group Company acquired 1,99,72,691 Equity Shares of your Company constituting 8.10% of the paid up capital from the public shareholders at a price of Rs. 350 per share under public offer as per the SEBI (Substantial Acquisition of Shares and Takeover), Regulations, 1997. Promoters holding in the Company, after the aforesaid acquisition under public offer, increased to 75% of the paid up share capital.

CORPORATE GOVERNANCE

A good corporate governance system envisages application of best corporate practices, adherence to ethical standards for effective management and establishment of highest standards of disclosure, transparency, performance and enhancement of wealth of all stakeholders.

For your Company, corporate governance is a continuous process. It seeks to maximize disclosures, transparency and performance and thereby endeavours to enhance the wealth of the shareholders and other stakeholders. Your Company has not only complied with all statutory and regulatory requirements as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges but also voluntarily complied with several non-mandatory matters, which are included in the report on Corporate Governance annexed to this report.

Your Company is continuously adopting and following such practices, conventions and codes as would provide its financial stakeholders a high level of assurance on the quality of corporate governance. This is evident from the fact that your Company was short-listed for the second and final round for the purpose of Corporate Governance Award - 2007 from amongst the Companies of all over India for the purpose of Corporate Governance Award for the fourth consecutive year by the Institute of Company Secretaries of India (ICSI).

Separate reports on Management Discussion and Analysis and on Corporate Governance along with a certificate from Auditors are attached hereto and form part of this report as per Annexures III and IV respectively.

FORMATION OF VARIOUS COMMITTEES

Details of various committees constituted by the Board of Directors as per the provisions of Clause 49 of the Listing Agreement and Companies Act, 1956 are given in the Corporate Governance Report annexed and form part of this report.

DIRECTORS

➤ ***Resignation of Shri Chinubhai R. Shah***

Shri Chinubhai R. Shah who was appointed on the Board of Directors of your Company on 20th October, 2000 resigned as Director with effect from 23rd April, 2008. The Board places on record its appreciation for the distinguished services rendered by Shri Chinubhai R. Shah, during his tenure as Director of the Company and Chairman of the Audit and Shareholder's / Investor's Grievances Committees and as a member of the Remuneration Committee of the Board of Directors of your Company.

➤ ***Retirement by Rotation***

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company, Dr. Pravin P. Shah and Shri Jay H. Shah, directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The brief profiles of these Directors have been given in the annexure to the explanatory Statement of the notice convening Annual General Meeting.

➤ ***Re-appointment of Shri Gautam S. Adani as Executive Chairman***

The tenure of Shri Gautam S. Adani, Executive Chairman of the Company will expire on 30th November, 2008. The Remuneration Committee and the Board of Directors at their respective meetings held on 28th May, 2008 recommended and approved the re-appointment of and payment of remuneration to Shri Gautam S. Adani as Executive Chairman of the Company for a further period of five years i.e. upto 30th November, 2013, subject to the approval of shareholders. Terms and conditions for his re-appointment are contained in the Explanatory Statement forming part of the notice of the ensuing Annual General Meeting.

➤ ***Revision in remuneration of Managing Director***

On review of the duties and responsibilities assigned to Shri Rajesh S. Adani, Managing Director and looking to the time devoted and increase in the nature of activities of the Company, the Board of Directors of



your Company on recommendation of remuneration committee have decided to revise the remuneration payable to him as detailed in the Explanatory Statement forming part of the Notice of the ensuing Annual General Meeting.

Appropriate resolutions for :

1. Re-appointments of Dr. Pravin P. Shah and Shri Jay H. Shah, Directors retiring by rotation.
2. Re-appointment of and payment of remuneration to Shri Gautam S. Adani as Executive Chairman of the Company
3. Revision in remuneration of Shri Rajesh S. Adani, Managing Director of the Company.

are proposed in the notice convening Annual General Meeting for your approval.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of your Company hereby confirm :-

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed ;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2008 and also of the profit for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
4. that the Directors have prepared the annual accounts on a going concern basis.

SUBSIDIARY COMPANIES

To drive its business globally, your Company has 29 subsidiary companies across the globe as per details given here in below:

❖ **Real Estate :**

1. Adani Infrastructure and Developers Pvt. Ltd.
2. Adani Estates Pvt. Ltd.
3. Swayam Realtors and Traders Ltd.
4. Columbia Chrome (India) Pvt. Ltd.
5. Shantigram Estate Management Pvt. Ltd.
6. Adani Land Developers Pvt. Ltd.
7. Adani Developers Pvt. Ltd.

8. Adani Landscapes Pvt. Ltd.
(Became subsidiary w.e.f. 27th September, 2007)
9. Adani Mundra SEZ Infrastructure Pvt. Ltd.
(Became subsidiary w.e.f. 1st February, 2008)
10. Miraj Impex Pvt. Ltd.
(Became subsidiary w.e.f. 15th October, 2007)

❖ **Agro :**

11. Adani Agri Logistics Ltd.
12. Adani Agri Fresh Ltd.

❖ **Energy:**

➤ **Power :**

13. Adani Power Ltd.
14. Adani Power Maharashtra Ltd.
(Became subsidiary w.e.f. 23rd July, 2007)
15. Adani Power Rajasthan Ltd.
(Became subsidiary w.e.f. 10th March, 2008)
16. Adani Power Dahej Ltd.
(Became subsidiary w.e.f. 15th December, 2007)

➤ **Coal :**

17. Adani Global Pte. Ltd., Singapore.
(Subsidiary of Adani Global Ltd., Mauritius)
18. PT Adani Global, Indonesia
(Subsidiary of Adani Global Pte. Ltd., Singapore)
19. Parsa Kente Collieries Ltd.
(Became subsidiary w.e.f. 16th October, 2007)
20. Adani Mining Pvt. Ltd.
(Became subsidiary w.e.f. 31st August, 2007)

➤ **Oil and Gas:**

21. Adani Energy Ltd.
(Became subsidiary w.e.f. 21st June, 2007)
22. Adani Welspun Exploration Ltd.
(Became subsidiary w.e.f. 4th August, 2007)

❖ **Metals, Minerals and Scrap:**

23. Vyom Tradelinks Pvt. Ltd.
24. Adani Global FZE, Dubai
(Subsidiary of Adani Global Ltd., Mauritius)
25. Adani Virginia Inc, USA
(Subsidiary of Adani Global FZE, Dubai)



❖ **Ship Owning and Chartering**

26. Adani Shipping Pte. Ltd, Singapore.
(Subsidiary of Adani Global Ltd., Mauritius)
27. Libra Shipping Pte Ltd, Singapore.
(Subsidiary of Adani Global Ltd., Mauritius)

❖ **Others - Holding Companies**

28. Adani Habitats Pvt. Ltd.
29. Adani Global Ltd., Mauritius.

The Ministry of Corporate Affairs has for the financial year 2007-08, exempted the Company from the applicability of the provisions contained in sub-section (1) of Section 212 of the Companies Act, 1956, relating to the documents to be attached in respect of the subsidiary Companies, with the financial statements of the Company. The Ministry of Corporate Affairs has informed whilst granting exemption to provide the summarized financial details of each subsidiary. The details required are provided herewith.

Shareholders interested in obtaining the statement of Company's interest in the subsidiaries or stand-alone financial statements of the subsidiaries may obtain it by writing to the Asst. Company Secretary.

The annual accounts of subsidiary Companies are available for inspection by any investor at the registered office of the Company.

JOINT VENTURES

➤ **Joint Venture with RVUNL, Rajasthan.**

Your Company has entered into a strategic tie up through a Joint Venture (JV) with Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RVUNL), an undertaking of Government of Rajasthan and engaged in the business of generation and distribution of electricity in the State of Rajasthan.

Pursuant to Joint Venture Agreement, a new JV Company, namely "Parsa Kente Collieries Ltd.," has been incorporated in the month of October 2007. Your Company holds 74% stake of Parsa Kente Collieries Ltd. It will develop and operate coal mines; coal blocks in Sargaja District (Chhatisgarh) for the exclusive use of RVUNL and also for beneficiation, transportation and delivery of coal to RVUNL for its generation stations.

➤ **Joint Venture with Chemoil Group, Singapore.**

Your Company has also tied up a joint venture with "Chemoil Group" of Singapore and formed a 50:50 JV Company namely, Chemoil Adani Pvt. Ltd. on 27th May, 2008 in India for undertaking businesses relating to bunkering i.e. ship fuelling at the various ports of India.

CORPORATE SOCIAL RESPONSIBILITY

Adani Group carries on social welfare activities through a trust namely, “**Adani Foundation**”.

The broad objectives for which this trust is formed are public charitable purposes for the benefit of the public without distinction of caste or community, section or religion, class or creed. These include relief to the poor and distressed, Education, Promotion of social and economic welfare of or the upliftment of the public and Advancement of any other object of general public utility.

The activities of the trust can be divided in four Major Areas i.e. Medical assistance, Educational assistance, Charitable assistance and General assistance.

AUDITORS AND AUDITORS' REPORT

M/s. Dharmesh Parikh and Co., Statutory Auditors of your Company, retires at the ensuing Annual General Meeting and are eligible for re-appointment. Your Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub section (3) of Section 226 of the Companies Act, 1956 for such re-appointment.

The Audit Committee of the Company recommended re-appointment of M/s. Dharmesh Parikh and Co., Chartered Accountants as Statutory Auditors of the Company.

The notes to the accounts referred to in the auditors' report are self-explanatory and therefore, do not call for any further comments.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE.

The information relating to foreign exchange earnings and expenditure are annexed hereto as Annexure-I and forms part of this report.

Since your Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

“GROUP” FOR INTER-SE TRANSFER OF SHARES

As required under Clause 3(e) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, persons constituting “Group” (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of the aforesaid SEBI Regulations are given in Annexure II attached herewith and the said Annexure forms part of this Annual Report.



PERSONNEL

The Board of Directors sincerely acknowledges the exemplary dedication of all its employees, which contributed to the improved performance. The industrial relations between employer and employees continued to be cordial.

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, details of the employees are set out in the annexure to the Directors' Report.

However, having regard to the provisions of 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Asst. Company Secretary at the Registered Office of the Company.

ACKNOWLEDGEMENT

Your Directors take this valuable opportunity to thank all Investors, Vendors, Traders, Customers, Banks, Financial Institutions, all Government and Non-Government agencies and the society at large for their continued support. Your Directors also acknowledge the commitment and contribution of all employees to the growth of your Company.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman

Place : Ahmedabad
Dated : 28th May, 2008.

Annexure to Directors' Report for the year ended 31st March, 2008 ANNEXURE I

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in crores)

		Current year	Previous year
(I)	Foreign exchange earned (Including export of goods on FOB basis)	5857.98	3545.82
(II)	Foreign exchange used	4709.49	3827.36

ANNEXURE - II FORMING PART OF THE DIRECTORS REPORT

The following is the list of persons (in alphabetical order) constituting “Group” (within the meaning as defined in the Monopolistic and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (“the said Regulations”), as provided in Clause 3(e) of the said Regulations :

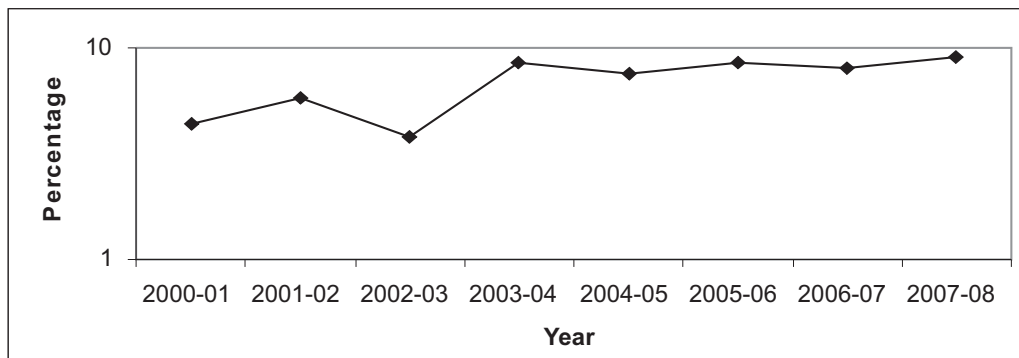
Sr. No.	Particulars	Sr. No.	Particulars	Sr. No.	Particulars
1	Adani Agri Logistics Ltd.	40	Crown International	79	Rajesh S. Adani
2	Accurate Finstock Pvt. Ltd.	41	Columbia Chrome (India) Pvt. Ltd.	80	Rajesh S. Adani Family Trust
3	Adani Agri Fresh Ltd.	42	Darshini Patel	81	Rajeshbhai S. Adani HUF
4	Adani Agro Pvt. Ltd.	43	Ezy Global	82	Rajasthan SEZ Pvt. Ltd.
5	Adani Developers Pvt. Ltd.	44	Gautam S. Adani	83	Radiant Trade and Investment Pvt. Ltd.
6	Adani Energy (U.P.) Ltd.	45	Gautam S. Adani Family Trust	84	Rakesh R. Shah
7	Adani Energy Ltd.	46	Gautambhai S. Adani HUF	85	Ranjan V. Adani
8	Adani Estates Pvt. Ltd.	47	Gujarat Adani Infrastructure Pvt. Ltd.	86	Riddhi V. Adani
9	Adani Exports	48	Gujarat Adani Aviation Pvt. Ltd.	87	Rahi R. Adani
10	Adani Global FZE	49	I Call India Ltd.	88	Rushabh Shah
11	Adani Global Ltd.	50	I Gate India Pvt. Ltd.	89	S. B. Adani Family Trust
12	Adani Global Pte. Ltd.	51	Intercontinental (India)	90	Shantikrupa Estates Pvt. Ltd.
13	Adani Habitats Pvt. Ltd.	52	Inland Conware Pvt. Ltd.	91	Shantikrupa Services Pvt. Ltd.
14	Adani Infrastructure and Developers Pvt. Ltd.	53	Inland Conware (Ludhiana) Pvt. Ltd.	92	Shantigram Estate Management Pvt. Ltd.
15	Adani Infrastructure Services Pvt. Ltd.	54	Jeet G. Adani	93	Shilin R. Adani
16	Adani Investments	55	Karan G. Adani	94	Surekha B. Shah
17	Adani Land Developers Pvt. Ltd.	56	Kunal D. Shah	95	Shirali Shah
18	Adani Landscapes Pvt. Ltd.	57	Kavita Shah	96	Sagar R. Adani
19	Adani Logistics Ltd.	58	Krupa Adani	97	Shantaben Adani
20	Adani Mundra SEZ Infrastructure Pvt. Ltd.	59	Mahasukh S. Adani	98	Sharmishta Sanghavi
21	Adani Mining Pvt. Ltd.	60	Mahasukh S. Adani Family Trust	99	Suvarna M. Adani
22	Adani Petronet (Dahej) Port Pvt. Ltd.	61	Mahasukh S. Adani HUF	100	Swayam Realtors and Traders Ltd.
23	Adani Port Infrastructure Pvt. Ltd.	62	Mansi K. Shah	101	Trident Trade and Investment Pvt. Ltd.
24	Adani Power Dahej Ltd.	63	Manali Mehta	102	Ventura Trade and Investment Pvt. Ltd.
25	Adani Power Ltd.	64	Mundra Port & Special Economic Zone Ltd.	103	Vasant S. Adani
26	Adani Power Maharashtra Ltd.	65	Mundra SEZ Textile & Apparel Pvt. Ltd.	104	Vasant S. Adani Family Trust
27	Adani Power Rajasthan Ltd.	66	MPSEZ Utilities Pvt. Ltd.	105	Vasantbhai S. Adani HUF
28	Adani Properties Pvt. Ltd.	67	m to M Traders Pvt. Ltd.	106	Vinod S. Adani
29	Adani Shipyard Pvt. Ltd.	68	Miraj Impex Pvt. Ltd.	107	Vinod S. Adani Family Trust
30	Adani Retail Ltd.	69	Namrata P. Adani	108	Vinodbhai S. Adani HUF
31	Adani Textile Industries	70	Nrupal Shah	109	Vanshi R. Adani
32	Adani Welspun Exploration Ltd.	71	Netvantage International Ltd.	110	Vinod N. Sanghavi
33	Adani Wilmar Ltd.	72	Param P. Adani		
34	Advance Exports	73	Pranav V. Adani		
35	Advance Investment	74	Priti G. Adani		
36	Anish Mehta	75	Priti R. Shah		
37	B2B India Pvt. Ltd.	76	Pushpa V. Adani		
38	Bhavik B. Shah	77	Priti R. Shah		
39	Bhaumik Patel	78	Pride Trade and Investment Pvt. Ltd.		

ANNEXURE - III MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Adani Enterprises Limited (“the Company”) is pleased to present the analysis of performance of the Company for the year 2007-2008 and the outlook for the future, which is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

Economy and Business Environment – an overview

GDP Growth over the Years



The Indian economy in the last few years has been on an upswing and marches ahead as one of the fastest growing economies in the world. Such a robust growth has been spurred by the Industrial and Service Sectors which have contributed more than 80% of the total GDP. In turn, tax collections have been buoyant, improving state of the public finances.

A GDP growth of around 9% in consecutive years and robust domestic consumption portend encouraging signs of continued growth. During the year, the capital market overall did well despite some volatility. The rupee proved to be sturdy and reliable currency with a surge in the inflow of foreign direct investments and portfolio investments, as also weakness exhibited by the US Dollar. Foreign exchange reserves burgeoned. Amidst the backdrop of global volatility and incipient signs of a global slowdown, India's economy shows resilience, characterized by healthy macro economic conditions. This along with other positive factors such as favorable demographic profile and rising income levels holds out promise for furthering the consumption led growth. Indeed, India looks poised to maintain its growth trajectory as a country. The remarkable progress of the industrial sector registering a growth of more than 10% provides immense opportunities for the Company.

The management's views on the Company's performance and outlook are discussed below:

Business: Energy

The Company has a significant presence in the Energy sector commodities of coal, power, petroleum products trading and city gas distribution. In order to be present across the value chain in these business areas, the Company initiated its foray into power generation, coal mining, oil & gas exploration as well as expanding the city gas distribution footprint to several other cities in India.

A. Power Generation

The Company intends to capitalize on the emerging opportunities in the Indian power generation sector, which are being driven by the current and expected demand and supply imbalance in India. Notwithstanding various policy initiatives within India to diversify fuel mix, with the limited reserve potentiality of petroleum and natural gas, eco-conservation, restrictions on hydroelectric power projects and the geopolitical perception of nuclear power, we believe that it is likely that coal will continue to be the primary generator of energy in India.

The Company is targeting a total power generation capacity of 10,000 MW to be operational in a phased manner through its subsidiaries, Adani Power Ltd., Adani Power Maharashtra Ltd, Adani Power Rajasthan Ltd., Adani Power Dahej Pvt. Ltd. in the states of Gujarat, Maharashtra and Rajasthan.

The Company has currently six thermal power projects under various stages of development or planning. Brief details of various power projects being undertaken by the Company are as under:

- ❖ **4620 MW Thermal Coal based power project - Mundra SEZ area through a subsidiary Company, Adani Power Ltd. (APL)**
 - **Mundra power projects:** The Mundra power projects are located along the coast and will utilize imported coal as primary fuel for its operations. APL has entered into long-term coal supply arrangements for importing coal with the Company for Mundra power projects. PT Adani Global, subsidiary of the Company, has entered into agreements with holders of long-term exploitation licenses to exclusively mine coal in Bunyu Island, Indonesia. For Mundra I, II and III power projects, APL proposes to procure the coal from PT Adani Global which will source such coal from mines in Indonesia. The coal for Mundra IV power project will also be procured internationally and supplied by the Company to the power project sites. As a result of our long-term coal supply agreements and relationship with the supplier, we believe that the Company will benefit from competitive pricing for procuring the coal for its various power projects.
 - **Phase I and II of the Mundra power project** will have four sub-critical generation units of 330 MW each, with combined capacity of 1,320 MW. The Boiler, Turbine and Generator (“BTG”) package for phase I and II of Mundra Power Project has been awarded to Sichuan Machinery and Equipment Import and Export Company Limited and Kowa Company Limited, respectively. We currently expect that the first 330 MW unit of Mundra I and II power project will commence operations from January 2009, and that the power project will be fully commissioned by October 2009.
 - **Phase III & IV of the Mundra Power Project :** Phase III & IV of the Mundra Power project have two and three super-critical generation units of 660 MW each with combined capacity of 1320 MW and 1980 MW respectively. The Engineering, Procurement and Construction (“EPC”) contract for both the phases have been awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. The operations of both these phase are expected to be commissioned from January and August 2011 respectively and respective power projects are expected to be fully commissioned by June 2011 and April 2012 respectively.

❖ **1980 MW Thermal Coal based power project - Tiroda, Maharashtra through a subsidiary Company, Adani Power Maharashtra Ltd., (APML).**

The Company has been allocated coal blocks at Lohara West and Lohara Extension for generating up to 1,980 MW of power at our Tiroda power project which have estimated coal reserves of approximately 170 million metric tons (“MMT”) and an average gross calorific value (“GCV”) ranging between 4,290 and 5,590 Kcal/kg, according to the geological report prepared by the Central Mine Planning and Design Institute Limited. The Company has also applied to the Standing Linkage Committee, Ministry of Coal, for allocating additional long term coal linkage for Tiroda power project.

- **Tiroda power project** will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The Boiler, Turbine and Generator (“BTG”) package for Tiroda power project has been awarded to Sichuan Machinery and Equipment Import and Export Company Limited. We currently expect that the first 660 MW unit of Tiroda power project will commence operations from July 2011, and that the power project is expected to be fully commissioned by April 2012.

❖ **1980 MW Thermal Coal based power project - Dahej, Gujarat through a subsidiary Company, Adani Power Dahej Ltd. (APDL)**

The Dahej power project is located close to the Dahej fair-weather lighterage port and will utilize imported coal as primary fuel for its operations. The Company has also entered into long-term coal supply arrangements for importing coal for its Dahej power project. It is expected to have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. We estimate that construction of the project will commence in September 2008 and the first 660 MW unit of project is expected to commence operations from November 2011, and that the project is expected to be fully commissioned by June 2012.

❖ **1320 MW Thermal Coal based power project - Kawai, Rajasthan through a subsidiary Company, Adani Power Rajasthan Ltd. (APRL)**

- **Kawai power project:** Under a memorandum of understanding, the State Government of Rajasthan has agreed to use its best efforts to facilitate the provision of coal for such power project from the Government of India or other sources. The said power project is expected to have two super-critical generation units of 660 MW each, with combined capacity of 1,320 MW. It is estimated that construction of the power project will commence in July 2008. The first 660 MW unit of power project is expected to commence operations from October 2011, and that the power project is expected to be fully commissioned by January 2012.

With the setting up of the aforesaid mega power projects, the Company will be emerged as a large integrated player in the power sector having presence in the entire value chain viz. From coal power trading -----> to coal mining and power generation.

B. Coal Mining

(i). Indian Coal Mining

Coal is the most important and abundant fossil fuel in India. The country's industrial heritage was built upon indigenous coal. Geological Survey of India has estimated the coal reserves of India at 247.85 billion tonnes of which 92 billion tonnes are proven. Hard coal deposits spread over 27 major coal fields are mainly confined to eastern and south central parts of India. Based on estimates, the consumption of coal is projected to rise by nearly 40% over the next five years and almost to double by 2020. Indigenous coal mining shall accordingly form an important segment of the overall power sector thrust area for the coming years.

With this backdrop, Indian coal is supposed to be a major fuel source to domestic energy market for the next century and beyond. As informed last year, the Company has been selected by Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RVUNL) for Identifying the techno-economically viable most suitable coal blocks, liaisons with Govt. of India and making all efforts for allotment of the identified coal block(s) to RVUNL and carrying out coal mining operations for delivery of coal to its power plants. Pursuant to this, Government of India has allocated Parsa East and Kente Basan coal Blocks located in Chhattisgarh (Coal Blocks) to RVUNL in June 2007. Further, in compliance of the condition of the tender, a Joint Venture Company namely, Parsa Kente Collieries Limited has been incorporated in October 2007 wherein the Company holds 74% shareholding and RVUNL holds 26% shareholding which will enter into a Coal Mining and delivery Agreement with RVUNL to undertake the development and operation of the Coal Blocks and delivering the coal from the Coal Blocks to RVUNL Thermal Power Stations.

The coal mining operations in the above said Coal Blocks are expected to start from April 2010.

Further, the Company has been also selected as successful bidder for carrying out survey, exploration and mining activities in coal block allotted to Maharashtra State Mining Corporation Limited at Agarzari, Near Chandrapur District in the State of Maharashtra. A Joint Venture special purpose vehicle will be formed to undertake above activities.

The Company is also actively looking at other opportunities in mining operations in India & Abroad.

The Company will continue to look for more opportunities across India for other coal mining ventures with State Electricity Boards.

(ii). Indonesian Coal Mining

Coal is a global industry, with coal mined commercially in over 50 countries and consumed in over 70 countries. The world currently uses 5.4 billion tons of coal in variety of sectors – power generation, iron & steel production, cement manufacturing and as a fuel. Its production has seen a substantial increase over the last 20 years, with maximum contribution by Asia.

Indonesia being the seventh largest coal-producing country in the world has approximately 5.3 billion MT of recoverable coal reserves. Sumatra contains roughly two-third of Indonesia's total coal reserves, with the balance located in Kalimantan, West Java and Sulawesi.

The Company through its subsidiary Company, PT Adani Global, Indonesia has identified 140 million tons coal mine reserves in the Indonesia. The identified reserves are located in the island of Bunyu in E.Kalimantan, near the border of Malaysia to the north. The sites are located in the central and northern part of the island. The preliminary geological investigation has been completed and the mining would be started followed by the subsequent development. Once the mines start functioning, the Company will have presence in the entire value chain of coal business, as the Company is already a leading coal trader. Apart from this, the Company is exploring more options in Australia, South Africa and other countries for coal mining.

C. Power & Coal Trading

There exists a large gap between supply and demand of power in large parts of the country. Inherent diversity in demand of various States in the country also results in periods of seasonal surplus in one State or Region coinciding with periods of deficit in another. To capitalize on this growing opportune sector, the Company had started power trading business in November, 2003 and since then the Company has already traded more than 7000 Million Units of power till March, 2008 to the entire satisfaction of surplus / buying utilities of power. The Company has evolved as a leading private sector power trader in India and targets to increase its trading volume to 5000 Million Units per annum over next five years.

The Company is holding highest category 'F' inter-state license for trading in power by the Central Electricity Regulatory Commission (CERC) in 2003, wherein the Company can undertake trading of more than 1,000 Million Units of electricity during the year, covering the jurisdiction of the entire country, except Jammu and Kashmir, for next 25 years. Further, during the year under review, the Company has obtained membership of first power exchange, Indian Energy Exchange Ltd. (IEX) to widen the scope of services being offered to customers. The Company plans to include the trading of surplus power from power projects being set up by the subsidiary Companies in future. The Company also plans to explore power trading avenues with the neighboring countries like Bhutan, Nepal & Bangladesh and focusing on long term contracts to drive the volume growth.

Coal is one of the primary sources of energy, accounting for about 55% of the total energy consumption in the country. About 75% of the coal in India is consumed in the power sector. Indian coal has high ash content and low calorific value and India has also faced a shortage of coal supply for many years, which is expected to continue as energy needs increase with growth of the Indian economy. Most of this shortage will need to be met through imports.

During the year under review, the Company has maintained its position as the largest importer of coal in India. The Company has also entered into long-term strategic arrangements for supply of imported coal, which has lesser Ash content and better calorific value for higher productivity with largest mining Company of Indonesia. The Company has also developed relationships with large miners of Indonesia and China.

D. City Gas Distribution

Gas distribution for Industries, commercial establishments & residences in the cities has ushered in a new era of cost-efficient and environment friendly fuel. CNG program introduced in the country due to environmental concerns has registered an immense success due to the fact that use of CNG holds large price advantage in automobiles compared with use of conventional fuels like MS and diesel. The Company aims at improving the environment by setting up a comprehensive network of CNG stations.

The Company has forayed into the business of City Gas Distribution Business through its subsidiary Adani Energy Ltd., (AEL) with an objective of providing safe, convenient, reliable and environment friendly fuel (Piped Natural Gas - PNG and Compressed Natural Gas – CNG) to the industrial, commercial, household and transport sectors. AEL has already set up a Gas Distribution Network, established infrastructure for more than 130 KM of steel pipeline network, 450 KM of PE network, 45 CNG stations for two of Gujarat's most industrialized and commercial Districts – Ahmedabad and Vadodara. AEL is targeting to serve more than 250 industrial units, 10,000 households, 100 commercial units and 40,000 vehicles in these cities through its infrastructure network. AEL is also implementing City Gas Distribution projects to repeat the similar success stories in Noida, Lucknow & Khurja in UP, Faridabad in Haryana and Udaipur, Jaipur in Rajasthan. It has already initiated the infrastructure development in these cities to meet the fuel needs of industrial, domestic, commercial & Transport sectors. Supply of Natural Gas will definitely bring down the pollution level in these cities.

E. Oil & Gas Exploration

Natural Gas is rapidly becoming the most preferred source of energy. India ranks 12th in terms of Natural Gas Reserves with almost 3 bn cubic meters. Most of these reserves are located in the hydrocarbon rich Krishna-Godavari (KG) basin, Upper Assam and Cambay basin in Gujarat. Given that India imports around two thirds of its oil & gas requirement, the sector throws up some exciting opportunities.

Looking to this scenario and as part of its integrated strategy, the Company has also forayed into the Oil & Gas sector and formed a JV Company called Adani Welspun Exploration Ltd. (AWEL) with majority (65%) stake with Welspun Group for Oil and Gas Exploration & Production business. AWEL has been awarded two oil & gas blocks in Gujarat and Assam viz. Palej block in Cambay, Gujarat and Margherita block in Assam under the recently concluded NELP VI through consortium. AWEL also plans to participate in the upcoming NELP VII bids and is actively looking at oil and gas blocks overseas

F. Petro Products

The Company has established State of the Art – Bunkering (Ship Fuelling Business) facilities at Mundra Port with procurement of two products barges of 3,000 MT capacity each, storage & blending facility in place. This strategically located bunkering facility competes with the two major bunkering hubs in Asia viz. Singapore and Fujairah. The ever increasing traffic of vessels ensures strong demand for ship fuel in the coming years. Hence, the bunkering business has a great potential to achieve higher volumes by 2010.

During the year under review, in order to carry on business of bunkering in various ports of India, the Company has formed JV Companies with Chemoil Group of Singapore in Singapore having 50 : 50 equity participation. This strategic Joint Ventures will significantly boost up the bunkering activities of the Company.

Business: Real Estate

The Indian real estate sector is on a strong growth path, led by rising GDP, increasing demographics, growing affordability, increasing impact of IT/ITES and organized retail sectors, supported by strong FDI and portfolio inflows. The unprecedented demand has driven the need for organized sources of funding, creating 'investability' and has led to the emergence of real estate as a sustainable asset class. Investable real estate assets in India are only 7-8% of India's GDP compared with 40-50% in most developed economies. The office space in India is also far lower when compared with international peers like Hong Kong and New York. Against this backdrop, real estate sector in India is likely to grow.

The Company has forayed into the Real Estate Sector through its subsidiary, Adani Infrastructure and Developers Private Limited (AIDPL). AIDPL has enhanced its scope of operations in a short span of time, developing large integrated townships as well as commercial and retail properties. It has a approx 105 mn sq ft of Floor Space Index ("FSI") under development, which is expected to be fully executed in the next five years. The projects are a combination of Sale and Lease models, on a case to case basis. It has built up land bank at strategic locations and is partnering with other realty players to ensure that the execution moves ahead as per schedule.

Projects :

I. "Shantigram" – an Integrated Township at Ahmedabad, Gujarat.

The Company through its subsidiary, Shantigram Estate Management Pvt. Ltd. (SEMPL) is also in the process of developing a 578 acre township in Shantigram, Ahmedabad. "Shantigram" is intended to be one of the largest townships of its kind sprawling across 41.6 mn sq ft of saleable area. The project involves residential, commercial and plotted development as well as a 50 acre IT-ITeS SEZ. The construction work on the project has started and is expected to be completed by financial year 2012-13. The Project shall provide the amenities like Recreation, Sports & Leisure, Public & Private Constituents, and Shantigram Public Utility Infrastructure.

The SEZ has been proposed to be a part of Township and shall ensure to provide the amenities available within the Township.

II. Commercial & Residential Development in Mumbai

Mumbai is a commercial capital of India and is the sixth largest metro in the world. As a result, Mumbai offers a plethora of employment opportunities and this in turn has led to an increase in its population. With scarce residential space to cater to an ever increasing population and dwindling commercial area in the event of enhanced economic activity, Mumbai realty prices have hit the roof.

To capitalize on this segment, the Company through its subsidiary, Adani Developers Pvt. Ltd. (ADPL) has identified two properties in Mumbai.

III. “Bandra Kurla Complex” (BKC)

BKC has been developed as one of the most sought prime commercial micro-market in Mumbai. It is expected to become the secondary Central Business District (CBD) of Mumbai due to the factors like the quality infrastructure, availability of land by MMRDA, established Companies, road width, easy accessibility, etc.

The Company is developing 2.2 mn sq ft of commercial cum retail project at Bandra–Kurla Complex (BKC). The site is located at International Finance & Business Centre (IFBC) in Bandra-Kurla Complex (BKC). The Company proposes to develop commercial multi-storey towers in this land. Project work has been commenced and is expected to be complete in the next 3 financial years.

IV. “Mill land Development” in Mumbai City (Borivali & Byculla)

The Company is also developing a residential complex in Boriville (approx 1.2 mn sq ft) and a commercial complex in Byculla (approx 0.70 mn sq ft) both of which are part of the Mill Land Development Programme (MLDP) through a JV Company, Swayam Realtors and Traders Ltd. in which it has 60% stake. The land has been acquired through the BIFR process, ensuring clean title and no legal issues.

V. Mundra Mass Housing Project, Mundra , Gujarat

The Company is developing a Township project at Mundra Port and SEZ (MPSEZ), through a subsidiary Company, Adani Mundra SEZ Infrastructure Pvt. Ltd., spanning over 600 acres of land. The project work has already been commenced. The project would provide infrastructure support to families involved in developing MPSEZ over the next 5-10 years. The total developable area of the project is expected to be approx 50 mn sq ft.

VI. Other Developments – Surat and Kochi

Apart from the projects mentioned above, the Company is also developing 5.6 mn sq ft of Commercial and Residential property in Surat. Land acquisition of the 57 acres is in process and the construction is expected to start in financial 2008-09.

The Company has also tapped the southern region with project spanning 27 acres of land in the prime location of Kochi. The plan involves developing 3.2 mn sqft of saleable area with 85% high end residential and 15% commercial space.

Business: Agro

I. Agro Commodities Trading

India is one of the world's largest food grains producers, the second largest vegetable producer and rice producer, making it one of the world's agricultural powerhouses. With global agricultural trade on a sustained rise coupled with robust economic growth across the world, the Agro sector has number of trade opportunities in its offing, which is an important contributor to India's growth story.

The Company is a leading trader of diversified Agri Commodities in India and Internationally with emphasis on entire range of grains, pulses, castor and soya, oil & oil meals and food grains. The Company is present in every aspect of trade of bulk agro commodities from importing, selling domestically to exporting and doing third country trade. The Company has a geographical presence in Europe, Japan, Korea, China, USA, Canada, Australia, South East Asia, Middle East, South Asia & almost all over the globe with its Agro Business.

The Company has also identified development of Rural and Farm infrastructure as a thrust area for the coming year and dedicates itself for the cause of creating facilities to minimize inefficiencies in the form of wastages being faced today by the country. The Company's trading model would be subsequently integrated with planned infrastructure so as to take achieve higher feats.

II. Edible Oil

The Company had commenced trading in Edible Oil since 2000 and looking to the urbanization and increasing demand of packed oil, ventured into Edible Oil Refining through 50 : 50 JV Company, Adani Wilmar Ltd. (AWL). It established first Indian port based edible oil refinery through Mundra. With the enhancement of refining capacity, location specific products and branding efforts, AWL has also acquired refineries at Mantralayam, Bundi & Haldia.

AWL has promoted its products under the brand "Fortune". "Fortune" is India's largest edible oil brand commanding 17% market share. The "Fortune" brand products are available in various range of edible oil. It includes Soya Oil, Sunflower Oil, Groundnut Oil, Non Refined Mustard Oil and Cotton Seed Oil. Other growing brands of AWL are "Naturelle", "Raag" and "Kachi Ghani".

During the year under review, AWL has added coconut oil to its product basket under the name "Naturelle", which is receiving encouraging response in the market. During the last 6-7 years of its operations, AWL has spread its distribution network across India and exports to more than 19 countries in the Middle-East, South East Asia & East Africa. Today, AWL has distribution foot prints all across the country with 88 stock-points catering to more than 6000 distributors and numerous brokers and other trade associations. AWL's retail reach is at more than 6,00,000 outlets. Looking to domestic needs and established distribution network, AWL has also added Vanaspati Ghee under "Raag" brand and bakery shortening under "Jubilee" brand to its product basket. AWL is continuously increasing its market share in sunflower and vanaspati edible oil. With the best brand and network, AWL is poised to grow rapidly in the years to come.

III. Fruits & Vegetables

India is 2nd largest producer of fruits & vegetables in the world but contributes less than 1% of total production of fruits & vegetables due to lack of post harvest technologies, logistics and improper storage.

To capitalize on this segment, the Company through its subsidiary viz, Adani Agri Fresh Ltd (AAFL) has taken the lead in developing logistics integrated storage, handling and transportation infrastructure for fruits and vegetables and set up modern Controlled Atmospheric Storage facilities for storage of fruits and vegetables with European technology at three locations viz. Rewali, Sainz, and Rohru in Himachal Pradesh having a combined capacity of around 18,000 MT. AAFL also plans to roll out of pack house facilities in Maharashtra, Gujarat, Andhra Pradesh and Karnataka in a phased manner. AAFL has already set up a strong marketing network in 30 major towns across India for wholesale, cash & carry and organized retail.

The strategy of the said Company is to concentrate on products that are produced far from major consumption centers, are seasonal in nature and are amendable to increase in storage life using modern integrated cold chain facilities. This would enable the Company to leverage on its logistics strength while at the same time take advantage of controlled atmospheric storage technology to arbitrage on the price differential between peak and off peak season.

Initially the project would be focused on apples and would then diversify into other fruits & vegetable products in a planned phased manner.

During the year under review, AAFL has handled 4800 MT of apples and plans to procure around 16,000 MT of apples in the FY 08-09.

IV. Agro Supply Chain

In order to reduce storage and transit losses of food grains and to bring additional resources through Private Sectors participations, Govt. of India had announced a National Policy on Handling Storage and Transportation of Foodgrains in June, 2004 for Bulk and conventional godowns.

Adani Agri Logistics Ltd. (AALL) a subsidiary of the Company was awarded the project by Food Corporation of India to implement a bulk food grains handling, storage and transportation, which will be implemented on a commercial Build, Own, Operate (“BOO”) format. The project includes the development, design, financing, construction, operation and maintenance of state-of-the-art facilities at the project sites. The project is spread across 8 (eight) locations across India namely, Moga, Kaithal, Hooghly, Navi Mumbai, Chennai, Coimbtore and Bangalore. AALL also plans to create more storage capacities & related infrastructure at multiple locations across India.

Business: Metals & Minerals

The Company's metals and minerals businesses includes trading in iron ore, scrap metal and gems and jewellery. The Company exports iron ore to China from mines near its captive port facility in Belekeri, South India. The Company also plans to undertake captive iron ore mining operations in Karnataka.

I. Metal Scrap Business

The Company is a leading metal scrap trader in the Indian sub-continent with buyers of India, Pakistan and Bangladesh. The metal scrap is sourced from world's top 5 metal scrap suppliers based at United States and Europe and the Company is the preferred supplier to many large customers. The Company has also started metal scrap trading in the containerized shipments.

The Company is a leading player in un-branded studded jewellery & gold medallion with manufacturing base in Surat SEZ and has also entered into outsourcing arrangements with large manufacturers.

II. Ship Dismantling Business

The Company through its Subsidiary, Adani Virginia Inc. has purchased a ship dismantling Company in USA namely, Bay Bridge Enterprise LLC. ("Bay Bridge"), a ship breaking unit which is one of the six yards registered with Maritime Authority of USA with highest order of environment protection. The said Company has already dismantled 10 Vessels from Maritime Administration of US since June 2005. It would now be focusing on acquiring the vessel from US Navy. Bay Bridge has also started Trans-load operation in Virginia to facilitate Scrap Trading business of its parent Company. The Company is currently serving 2000-3000 Mt. of Cargo each Month and projecting the Volumes for Trans-load to 60000 Mt. by Next Year.

The heading requirement of dismantling obsolete vessels combined with growing requirement of scrap metal world wide has led to an increased demand for ship breakers in USA. Bay Bridge will capitalize the opportunities in the ship breaking business through it's another footing in operation at Brownville, Texas. The Company will create a Ship-breaking Facility in Brownville, Texas and shall be able to capitalize the US market more than 25%.

Shipping as a backbone to Company's businesses

Shipping is the largest and the most important mode of international transportation for the country. Around 95% by volume and 70% by value of India's overseas trade is sea-borne.

To capitalize on this growing segment and to backward integrate its existing strong global trading, logistics and infrastructure operations which are largely sea borne, the Company has established subsidiary Companies in Singapore to manage its shipping and freight operations.

During the year under review, the Company has chartered around 273 ships to move various products sum-up to 14 Mn Mt. The Company also plans to acquire two capsized vessels newly built with expected delivery by Dec 2010 in the initial phase.

The Company will also use the fleet of vessels for handling the third party cargo. This will help the Company to effectively manage its international cargo operations and to generate additional revenues from shipping its own captive as well as third party cargo.

Competition/Outlook on opportunities

■ Competition

The businesses in which the Company is engaged are highly competitive and has competitors in each of its major business operations on a local, regional, national and international levels. Although barriers to entry are high in a number of the Company's businesses due to the costs associated with sourcing commodities and managing their transportation, the Company faces additional competition from new entrants and from its existing customers who are becoming more involved in sourcing to satisfy their own supply requirements. The markets for the Company's metals, minerals, ores, agro-commodities and energy products are also price competitive and sensitive to product substitution. In many of these businesses, the Company's competitors have greater economies of scale and are also more vertically integrated and generally not only act as commodities merchants but also as processors, which allow them to make a higher margin. Competition with these and other suppliers, processors and distributors is based on price, quality of service and geographic location.

■ **Competitive Strengths and Outlook on opportunities**

The Company will continue to focus on markets where opportunities for market penetration and expansion of market share and client base exist. The Company intends to focus on energy, agro-commodity and infrastructure driven opportunities, metals and minerals sales (including iron ore and steel scrap sales). The Company believes its expertise in these types of markets enables it to effectively identify and drive new business opportunities. The combination of commodities expertise and growing logistics capabilities presents it with opportunities to attain potentially higher operating efficiencies and associated revenue benefits in the Indian, Asia-Pacific and Middle Eastern markets in which it chiefly operates.

The Company will also continue to focus on and seek to enter higher value businesses, which it believes present attractive opportunities and enable it to reduce its exposure to the cyclical nature of the commodities trading business. In the energy sector, the Company intends to move into power generation and distribution alongside its existing power trading activities. In the agro-commodities sector, the Company is entering into storage and transportation of foodgrain, fruit and vegetables alongside its existing production and sale of edible oils and other agro-commodities. In the real estate business, the Company intends to focus on developing residential and commercial property projects in India. The Company anticipates that its focus on and entry into these businesses will provide it with opportunities to improve its operating margins.

The Company intends to pursue alliance opportunities to enhance its capabilities, address specific industry opportunities, develop its technical expertise and price its products more competitively.

The Company has demonstrated the capacity to operate joint ventures with partners in segments such as Agro Commodities, Edible Oil Refining, Mining Operations, Oil Exploration, Bunkering and plans to actively explore additional opportunities to form alliances aimed at capturing more of the trading and infrastructure development value chain. The Company intends to continue to opportunistically evaluate inorganic growth opportunities, in keeping with its strategy to grow and develop its market share and further its operations in core sectors.

The Company's diversified range of products and services has enabled it to generate revenues throughout the periods of volatile commodity prices and demand fluctuations. The Company believes that its industry expertise, provides it with insights and market intelligence that enable it to more effectively capitalize on and manage risks associated with opportunities across all its markets.

The Company's broad geographical presence also enables it to closely monitor and respond to global supply and demand imbalances; identify opportunities for strategic investments to support its global diversification strategies; and enhance its supplier substitution capabilities.

■ **Risk and Concerns**

The Company has a well-defined system of identifying and mitigating risks. Risk identification process starts at the department level. Risks identified at the departmental level are collated in the Company-level risk register for review and discussion by the Management. On the basis of discussion and review, risk ratings and mitigations plans are finalized and documented in Risk Register. For each key risk, responsibility is assigned to the concerned department head. Risk Register containing key risks, mitigation plan and responsibility assigned for the risks is presented to the Audit Committee for review and discussion. This process ensures that the Company is cognizant of possible risks and builds resilience to address the same. Some of the key risks and concerns and steps taken to mitigate the adverse impact of same are as follows :

■ **Operational risk**

The Company's widespread global operations could impact its operational efficiency. The international market continues to be fiercely competitive with a plethora of offerings across price points and the geo-political risk in the Middle East and other politically sensitive markets could also pose a challenge for maintaining the profitability of its international operations. For smooth operation of its businesses the Company also requires certain approvals, licenses, approvals, registrations and permissions delays in which could affect business plans.

The Company has initiated adequate insurance covers to hedge against these risks in business. These are assessed on a regular basis.

■ **Foreign Exchange Risk**

Being a major importer and exporter, the Company is also associated with risks relating to Foreign Exchange fluctuations, interest rates etc. The export realizations of the Company may be affected adversely on account of the appreciation of the Indian Rupee against the US dollar.

The Company manages this risk through active hedging strategy.

■ **Borrowing Risk**

In order to finance the growing funds requirements due to expansion of business activities, the Company depends on the borrowed funds from Indian as well as Foreign debt markets. Factors like fluctuations in the interest rates, non availability funds, restrictions imposed by regulatory framework etc. may affect the profitability of the Company adversely.

The Company has considerably reduced the adverse effect of this risk by implementing systematic procedures to ensure strict and economical use of borrowed funds, active liasoning with the banks and financial institutes for various credit facilities. The Company has also successfully tapped the international financial market to ripe the benefits of prevailing low cost regime.

■ **Attrition Rate**

One of the most challenging tasks faced by the Company is the high attrition rate. The vast opportunities available in the market and the rising trend of salaries offered by different sections of the market have resulted in the Company losing good employees. To contain the attrition rate has been a major task before the Company.

A lot of measures such as improvement in the remuneration structure, growth opportunities and various training programmes have been initiated by the Company's Human Resource Department to address this issue.

▪ **Others**

Apart from the risk on account of International Trading Operations, various businesses of the Company are exposed to certain operating business risks; which are managed by regular monitoring and corrective actions.

Internal Control Systems and their adequacy

The Company has a full fledged operational Internal Audit Department, which is headed by Head – Internal Audit and assisted by a team of highly qualified professionals. The Department closely monitors and evaluates the efficiency and adequacy of internal control systems, their compliance with operating systems and accounting procedures and policies at all Company's locations including its subsidiaries. Its suggestions and reports are periodically placed before the Audit Committee of Directors and corrective actions, if any, are recommended for implementation. It is also equipped to perform audit under SAP framework.

The Company has also successfully implemented SAP system for every possible area of deployment. SAP is the most suitable Enterprise Resource Planning software, which provides for availability of robust information and can be operated from anywhere in the world.

The Company believes that it has adequate internal control systems and procedures to safeguard the resources and assets against any misuse and are used efficiently and economically. Reliable and accurate financial and operational information is available on time and statutory laws and regulations are continuously complied with.

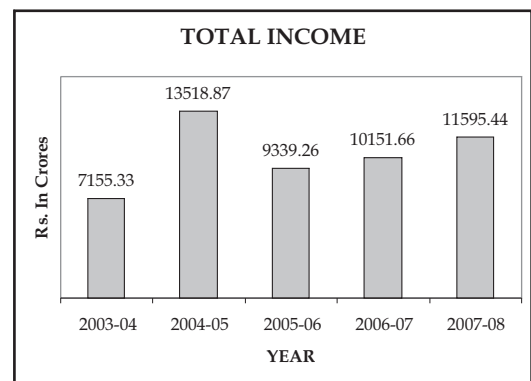
Financial Performance with respect to operational performance

The Management is pleased to inform you that the year under review witnessed many fold increase in the business activities of the Company. We take pride in informing you that the Company has maintained its dominance, achieved a significant growth and recorded a yet another stellar financial performance.

Details of various milestones achieved and financial performance of the Company with respect to operational performance are as under :

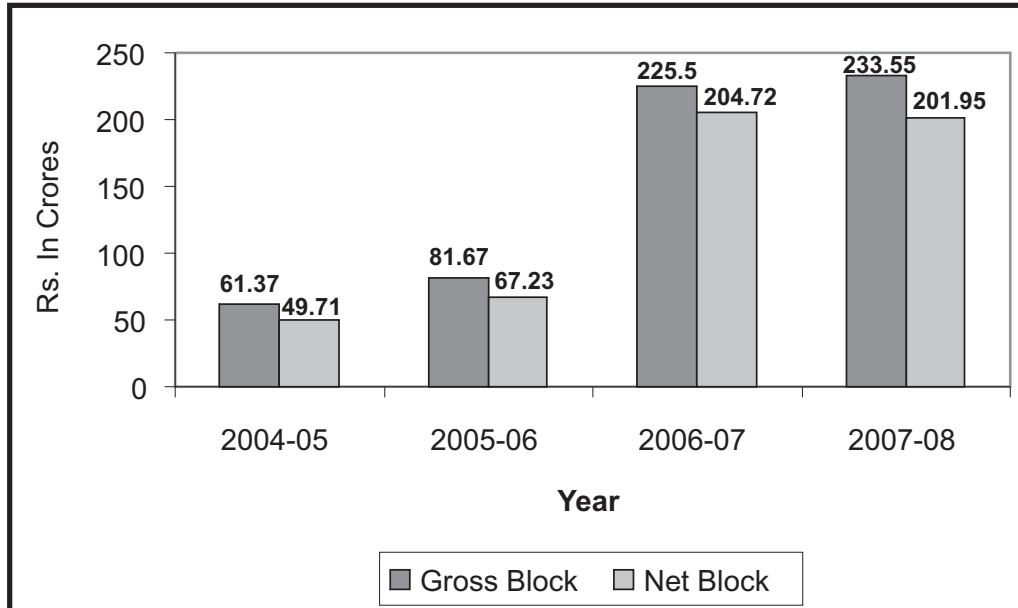
▪ **Revenues:**

During the year under review, the Company has recorded total income to the tune of Rs. 11,595.44 Crores as compared to Rs. 10151.66 Crores of the previous year which show an increase of 14% over the last year.



■ **Fixed Assets (Net Block) :**

The Net Block of the Company as at 31st March, 2008 is Rs. 201.95 Crores as compared to Rs. 204.72 Crores as at 31st March, 2007.

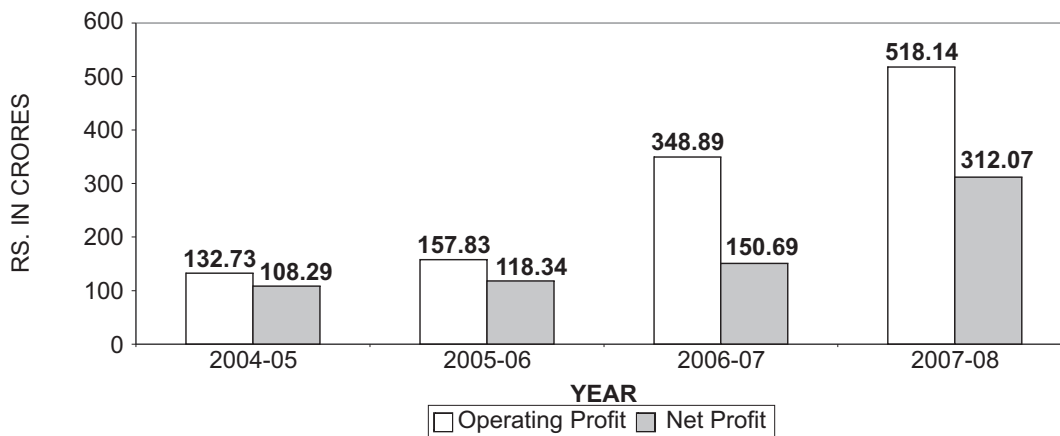


■ **Profits and profitability**

During the year, the Company generated earnings before interest, depreciation, tax and appropriation (EBIDTA) of Rs. 518.14 Crores compared to Rs. 349.55 Crores, which includes a growth of 48 per cent over previous year. Net profit margin was significantly higher by 107 percent. Earnings per share (EPS) of the Company as on 31st March, 2008 is Rs. 12.66/- on face value of Re. 1 each.

PBT of the Company has increased to Rs. 352.51 Crores for the period ended 31st March, 2008 compared to Rs. 198.31 Crores for the period ended 31st March, 2007 reflecting a handsome growth of 78%.

OPERATING & NET PROFIT



The Management is pleased with the financial milestones achieved by the Company during the year under review and confident of achieving bright growth in the years to come.

Human Resources

The Human Resources function of the Company continued its initiatives to develop and nurture talent. During the year under review, the Company conducted surveys across various categories of employees at all levels to gauge the level of employee satisfaction. Based on the feedback, appropriate initiatives were initiated. The Corporate Human Resource Department (HRD) of the Company is committed to improve employee satisfaction at all levels and create a motivated, responsive and accountable organization.

The Company considers its human resources as one of its main assets and is constantly focusing on strengthening its organizational culture with a view to attract and retain best talent. To sustain the competitive advantage robust talent identification and validation process are being conducted through campus recruitment from the leading institutions and colleges.

❖ People Development

- Notable steps were taken in respect of critical area of knowledge building by giving special thrust to people development, learning, sharing of knowledge and best practices.
- A state-of-the-art learning centre “**Adani Knowledge Centre**” established to grow intellectual capital.
- External training programmes were aimed at development of key talent.
- Leadership and management development programmes conducted to enhance managerial capability.

❖ Employee relations:

On Industrial relations front, the Company continued to enjoy a cordial and harmonious relations with its employees at all levels.

It is pleasure to note that the Company has now become the “**preferred employer**” for talent across the nation.

Cautionary Note

The statements in this Report describing the Company's objectives, projections, estimates, and expectations may constitute “forward looking statements” within the meaning of applicable laws and regulations. Forward looking statements are identified in this report, by using the words “anticipates”, “believes”, “expects”, “intends” and similar expressions in such statements.

Although we believe that our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied.

The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis, of any subsequent developments, information or events.

ANNEXURE IV CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance is the process by which the values, principles, management policies and procedures of a Company are made manifest in the real world. The quintessential elements of corporate governance are transparency, accountability and integrity. Good Corporate Governance not only helps in building trust with all stakeholders including customers, suppliers, creditors and diverse investors but also can be adjudged as the very heart of shareholders value creation in the long run.

The Company presents summary of the practices it followed during the year in deference to its commitment to fairness, transparency and accountability.

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

“CORPORATE GOVERNANCE IS A VITAL MECHANISM WHICH TOUCHES EVERY FACET OF THE FUNCTIONING OF A CORORATE AND ITS STAKEHOLDERS. IT IS NOT AN END IN ITSELF BUT A CONTINUOUS JOURNEY WHICH AIMS TO BRING ABOUT CORPORATE DEMOCRACY AT ALL LEVELS OF THE CORPORATE ENTITY RESULTING INTO SUSTAINED GROWTH FOR COMPANY AND ITS STAKEHOLDERS.”

Adani Enterprises Ltd. (AEL) being a flagship Company of Adani Group believes that for a Company to be successful, it must maintain global standards of corporate conduct towards all its stakeholders. Your Company's philosophy on corporate governance envisages the alignment of the highest levels of transparency, accountability and equity in all facts of its operations and in all its interactions with its stakeholders. Your Company has a strong legacy and roots of stringent corporate governance principles. Your Company strongly believes that principles of fairness, transparency and accountability are the cornerstones for good corporate governance. It is the Company's continuous endeavour to achieve the highest levels of corporate governance. Hence, Corporate Governance to AEL means not only compliance with the provisions of Company law, allied acts and listing agreement but also management's responsibility to work with morality, ethics and accountability towards stakeholders and society for their acts and decisions.

At Adani Enterprises Limited (AEL), we firmly believe in and continue to abide by the following principles of effective Corporate Governance :

- **A**ccountability, supported by robust internal processes of management oversight and control for monitoring of performance.
- **E**stablishment of well defined corporate structure to ensure checks and balances and delegates decision making to appropriate levels in the organization.
- **L**ong-term creation of wealth for all stakeholders by balancing the enforcement and protection of the rights of all stakeholders.

Compliance with Clause 49 of The Listing Agreement

The Company has complied with the Corporate Governance Code enriched in Clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

Composition and Category

The Board of Directors of your Company represents an optimum mix of professionalism, knowledge and experience and consists of professionals drawn from diverse fields. The Board members possess the requisite skills, experience and expertise to guide the Company. The day-to-day management of the Company is conducted by the Managing Director and the Whole-time Director subject to the guidance, supervision and control of the Board of Directors.

Brief resume of each of our Director is available on the website of the Company at www.adani.in.

The composition of the Board was in conformity with the provisions of the Corporate Governance Code of the Listing Agreement as on 31st March, 2008, it consisted 5 Non Executive Directors (63% of the total board strength) including 4 Independent Directors (50% of the total board strength) out of total strength of 8 directors. The same is illustrated as under :

As on date the Company has 7 Directors on its board out of which 4 Directors are Non-Executive Directors (including 3 Independent Directors). The Company is in process of appointing one Non Executive and Independent Director.

Your Company immensely enriched by the professional expertise of its independent directors in their individual capacity as Independent Professionals / Business Executives and through their invaluable experience in achieving corporate excellence.

Board Procedure

The Board plays a vital role in ensuring good corporate governance. Its style of functioning is democratic. The Members of the Board have always had complete liberty to express their views on the subjects and decisions are taken on the basis of consensus arrived at after detailed discussion.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to this it directs and guides the activities of the Management towards the set goals and seeks accountability with a view to ensure that the corporate philosophy and mission (viz. *"To develop, assimilate and share the knowledge; to apply the acquired expertise across the globe, for benefit of stakeholders"; to do so profitably.*") is accomplished. It also sets standards of corporate behaviour at all times and ensure strict compliance with laws and regulations.

The Board meetings are generally held at the registered office of the Company in Ahmedabad. Calendar of the Board meetings is finalised in advance for each year. The board meets at least once a quarter. It is the practice of the Company to place before the Board, all the mandatory items as prescribed in Clause 49 of the Listing Agreement. The detailed agenda papers with explanatory notes are circulated to the Directors in advance. As a part of the Board agenda, minutes of the meetings of the Board of Directors of the Company,

its committees and minutes of subsidiary Companies are also circulated to all the Directors for their review. Senior executives from various fields are also invited to attend the board meetings as special invitees in certain circumstances.

The Compliance report of all laws applicable to the Company as prepared and compiled by the Compliance Officer is circulated to all the Directors along with the agenda and placed/reviewed in each Board Meeting.

During the financial year under review, Seven Board Meetings were held on following dates 16th April, 2007, 21st May, 2007, 27th July, 2007, 29th September, 2007, 29th October, 2007, 4th January, 2008 and 29th January, 2008.

The details regarding attendance of Directors at Board Meetings, AGM and other directorships held are given below.

Name of Director	Category	No. of Board Meetings attended (Out of 7 Meetings held)	Attendance at the AGM held on September 29, 2007.	No. of other Directorships held (Other than AEL)*	No. of Board Committees # (other than AEL) in which Chairman / Member.	
					Chairman	Member
Shri Gautam S. Adani Executive Chairman	Promoter Executive	6	Yes	10	2	1
Shri Rajesh S. Adani Managing Director	Promoter Executive	6	Yes	14	1	5
Shri Pradeep Mittal Wholetime Director	Executive Director	2	No	2	-	-
Shri Vasant S. Adani	Promoter Non Executive	4	Yes	-	-	-
Shri C.R. Shah (Upto 23 rd April, 2008)	Non Executive (Independent)	7	Yes	12	2	5
Dr. A.C. Shah	Non Executive (Independent)	2	No	5	1	2
Dr. Pravin P. Shah	Non Executive (Independent)	3	No	5	1	6
Shri Jay H. Shah	Non Executive (Independent)	2	No	-	-	-

It relates to Audit Committee, Shareholders Grievances Committee and Remuneration Committee only.

* excludes directorships in Indian Private Limited Companies and foreign Companies and includes directorships in Private Ltd Companies which are subsidiaries of public Ltd.

As required by the Companies Act, 1956 and Clause 49 of the listing agreement with Stock Exchanges, on Corporate Governance, none of the Directors of the Company held Directorships in more than 15 Public Limited Companies, memberships of Board Committees (Audit & Investors Grievance Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5.

Notes on Directors appointment / re-appointment

Brief resume of the Directors proposed to be appointed / re-appointed are given in the explanatory statement annexed to the Notice convening the Annual General Meeting.

3. BOARD LEVEL COMMITTEES

The Company has constituted following Board level Committees 1) Audit Committee 2) Shareholders / Investors Grievance Committee 3) Remuneration Committee as per provision of the Companies Act, 1956 and Corporate Governance Code. The Committees comprises of experienced members of the Board who ensure implementation of aforesaid high standards of Corporate Governance.

A. Audit Committee

The Audit Committee, which was constituted on 27th January, 2001, consists of following directors as under :

Sr. No.	Name of the Director	Category
1.	Shri Jay H. Shah (Appointed as chairman w.e.f. 28.05.2008)	Chairman
2.	Shri C.R. Shah (upto 23.04.2008)	Chairman
3.	Dr. A.C. Shah	Member
4.	Dr. P.P. Shah	Member

Shri C.R. Shah, Chairman of the Audit Committee ceases to be a member of the committee on account of his resignation w.e.f. 23rd April, 2008. Due to his resignation, composition of Audit Committee was re-constituted by the Board of Directors of the Company in its meeting held on 28th May, 2008. Shri Jay H. Shah was appointed as Chairman of the Audit Committee with effect from 28th May, 2008. All members of the Audit Committee are qualified professionals having financial management expertise.

The Committee also invites such other senior executives of the Company as it considers appropriate. The meetings of the Audit Committee are attended by Internal Auditors, Statutory Auditors, head of finance, Company Secretary and other executives. The Company Secretary acts as a Secretary to the Committee.

Broad Terms of Reference

The terms of reference of the Audit Committee covers all the areas mentioned under Clause 49(II) of the Listing Agreement with the Stock Exchanges, Section 292A of the Companies Act, 1956 and other terms as may be referred by the Board of Directors, which interalia includes to review financial reporting process and all financial results, statements and disclosures, review of internal audit reports, internal control systems & procedures, to meet statutory auditors, internal auditors and to discuss their findings, review scope of audit, post audit discussion, audit qualifications, if any, to review related party transactions, reviewing the performance of the statutory and internal auditors and fix their remuneration, review compliance of listing agreements and other requirements of the Company. The Committee also reviews the risk factors, mitigation plan and responsibility assigned for the risks. All relevant information and reports are placed before the Audit Committee in compliance with the provisions of the corporate governance code.

As a part of good corporate governance practice, the Audit Committee also reviews the Risk factors and project reports of Subsidiary Companies.

Details of the meetings of Audit Committee and attendance

The Calendar of meetings is fixed in advance for each year. The committee met four times as on 21st May, 2007, 27th July, 2007, 29th October, 2007 and 29th January, 2008.

Details of meetings attended by the members thereof are as follows:

Sr. No.	Name of the Director	Category	No. of meetings attended
1.	Shri Jay H. Shah (Appointed as chairman w.e.f. 28.05.2008)	Chairman	2
2.	Shri C.R. Shah (upto 23.04.2008)	Chairman	4
3.	Dr. A.C. Shah	Member	2
4.	Dr. P.P. Shah	Member	3

Minutes of the Audit Committee are circulated and reviewed at the subsequent Board Meetings.

The Chairman of the Committee was present at the Annual General Meeting held on 29th September, 2007.

B. Remuneration Committee

The Remuneration Committee of the Board was constituted on 23rd June, 2001. It is a non mandatory requirement as per the Clause 49 of the Listing Agreement. The Constitution of the Remuneration Committee is as under :

Sr. No.	Name of Directors	Position	Category	
1.	Dr. P.P. Shah	Chairman	Non - Executive	Independent
2.	Dr. A.C. Shah	Member	Non - Executive	Independent
3.	Shri C.R. Shah (upto 23.04.2008)	Member	Non - Executive	Independent
4.	Shri Jay H. Shah	Member	Non - Executive	Independent

Quorum of the Committee is of two members.

Terms of reference:

The broad terms of reference of the Remuneration Committee are :

- to recommend to the Board the remuneration including Commission payable to the Executive Director(s), revision in salary based on evaluation of their performance as well as the Company's performance, subject to such consents & permissions as may be required.
- The remuneration payable to Non-Executive Directors based on their performance and defined assessment criteria.

The terms of appointment and remuneration including commission payable to the Executive Directors are recommended by Remuneration Committee and are approved by the Board of Directors and shareholders of the Company.

The terms of reference of the Committee is as per the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement with stock exchanges.

Meeting and Attendance

No Remuneration Committee Meeting was held during the year under review i.e. F.Y. 2007-08.

Remuneration Policy

A. Remuneration to Non-Executive Directors

Non-Executive and Independent Directors of the Company are being paid an amount of Rs. 10,000/- as sitting fees for attending each meeting of Board and committee thereof viz. Audit Committee, Shareholders' / Investors' Grievances Committee and Remuneration Committee. Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees.

During the year, no remuneration other than sitting fees as mentioned herein below have been paid to any of the Non-executive and independent Directors of the Company. No remuneration has been paid to one Non-executive and Non-independent Director of the Company.

None of the Non-Executive and Independent Directors have any material pecuniary relationship or transactions with the Company.

The details of sitting fees paid to Non Executive Directors during the Financial Year 2007-08. are as under:

(Rs. in Lacs)

Name	Sitting Fees paid during FY 2007-08		TOTAL	No. of Shares held
	Board Meeting	Committee Meeting		
Dr. P.P. Shah	0.30	0.30	0.60	6000
Dr. A.C. Shah	0.20	0.40	0.60	NIL
Shri C.R. Shah (Upto 23.04.2008)	0.60	0.80	1.40	NIL
Shri Jay H. Shah	0.20	0.40	0.60	NIL

B. Remuneration to Executive Directors.

The remuneration of Executive Directors i.e Executive Chairman, Managing Director & Whole time Director consists of fixed salary and other perquisites. The said Remuneration has been duly approved by the Remuneration Committee, the Board and is as per the resolutions passed at the respective meetings of the Remuneration Committee, Board of Directors and Annual General Meetings. Details of the remuneration paid to them during the year 2007-08 are as under :

(Rs. In Crores)

Name & Designation	Salary	Perquisites & Allowances	Commission*	Incentive Remuneration	Total
Shri Gautam S. Adani Executive Chairman	0.96	0.12	7.02	NIL	8.10
Shri Rajesh S. Adani Managing Director	1.45	0.21	7.02	NIL	8.68
Shri Pradeep Mittal Whole -time Director	0.45	2.48	NIL	NIL	2.93

* Payable in FY 2008-09

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Executive Chairman, Managing Director and Whole-time Director.

The Company has not granted stock options to the Managing / Executive Directors or Employees.

The Executive Chairman, Managing Director and Wholetime Director so long as they functions as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.

The Board of Directors review the Minutes of the Remuneration Committee Meetings at subsequent Board Meetings.

The Company Secretary acts as a Secretary to the Committee.

C. Shareholders'/Investors' Grievances Committee –

The Shareholders'/Investors' Grievance Committee of the Board of Directors which was constituted on 23rd June, 2001, comprises of following members :

Sr. No.	Name of the Director	Position	Category
1.	Shri Jay H. Shah (Appointed as chairman w.e.f. 28.05.2008)	Chairman	Non-Executive-Independent
2.	Shri C.R. Shah* (upto 23.04.2008)	Chairman	Non-Executive-Independent
3.	Shri Vasant S. Adani	Member	Non-Executive
4.	Dr. A.C. Shah	Member	Non-Executive-Independent

Due to resignation of Shri C.R. Shah from the directorship of the Company, the composition of Shareholder's / Investor's Grievance Committee was re-constituted by the Board of Directors of the Company in their meeting held on 28th May, 2008. Shri Jay H. Shah was appointed as Chairman of the Committee in his place with effect from 28th May, 2008.

Mr. Parthiv Parikh, Asst. Company Secretary is designated as the Compliance Officer as per the requirements of Listing Agreement.

Terms of Reference :

The functioning and terms of reference of The Shareholder's/Investors' Grievance Committee of the Company includes :

- To look into the redressal of investors' grievances including related to transfer / transmission of shares and ensure expeditious share transfer process, non-receipt of declared dividends, dematerialization / rematerialisation of share certificates, replacement of lost / stolen/ mutilated share certificates etc.
- Other related issues and to strengthen investors' relations.

The terms of reference of the committee cover the matters specified under Clause 49 of the Listing Agreement with Stock Exchanges.

The Committee also monitors and reviews the performance and service standards of Registrar and Share Transfer Agents of the Company viz, M/s. Pinnacle Shares Registry Pvt. Ltd., and also provides continuous guidance to improve the standard of service levels for investor relations.

Meetings and Attendance

The Committee met four times on 21st May, 2007, 27th July, 2007, 29th October, 2007 and 29th January, 2008 during the year under review.

Sr. No.	Name of the Director	Status	No. of meetings attended
1.	Shri Jay H. Shah (Appointed as chairman w.e.f. 28.05.2008)	Chairman	2
2.	Shri C.R. Shah (upto 23.04.2008)	Chairman	4
3.	Dr. A.C. Shah	Member	2
4.	Shri Vasant S. Adani	Member	1

Company Secretary acts as a Secretary to the Committee.

The Minutes of the Shareholder's/Investors` Grievance Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

Details of Shareholders' Complaints

During the year, 125 complaints were received from the shareholders and were resolved to the satisfaction of shareholders. No investor's grievance remains pending for more than 30 days.

Share Transfer Committee

The Board of Directors has delegated the powers of approving transfer/transmission of shares, issue of duplicate share certificates and other related formalities to the Share Transfer Committee comprising of Shri Gautam S. Adani, Executive Chairman, Shri Rajesh S. Adani, Managing Director and Shri Vasant S. Adani, Director of the Company.

The meetings are held at least once in a fortnight. The Board of Directors review the Minutes of such Committee at subsequent Board Meeting.

No requests for share transfers are pending as on 31.03.2008 except those that are disputed and / or sub-judiced.

Investor Services

M/s Pinnacle Shares Registry Pvt. Ltd are acting as a Registrar & Share Transfer Agent, of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

a) Name and Address of Compliance Officer is as follows

Mr. Parthiv Parikh
Asst. Company Secretary and Compliance Officer
Adani Enterprises Ltd.

"Adani House", Near Mithakhali Six Roads, Navarangpura, Ahmedabad – 380 009
Tel No. (079) 25555 555, 26565 555, 25555 080(DID), Fax No. (079) 26565 500, 25555 500
E-mail : parthiv.parikh@adani.in & jaladhi.shukla@adani.in

4. PARTICULARS OF PAST THREE ANNUAL GENERAL MEETINGS

Location, day, date and time of Annual General Meetings held during last three years are as under :

Financial Year	Day & Date	Location of Meeting	Time	No. of Special resolutions passed
2004-2005	Friday 12th August, 2005	Hotel Le Meridian, Khanpur, Ahmedabad - 380 001	11.00 a.m.	1
2005-2006	Saturday, 29th July, 2006	Lion's Hall, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006	11.00 a.m.	2
2006-07	Saturday, 29 th September, 07	Hotel Le Meridian, Khanpur, Ahmedabad - 380001	10.00 a.m.	1

Details on Extraordinary General Meetings (EGM) held in the last three years :

Financial Year	Day & Date	Location of Meeting	Time	No. of Special resolutions passed
2006-07	Saturday 30 th December, 2006.	7th Floor, Shikhar, Near Adani House, Navrangpura, Ahmedabad – 380 009	11.30 a.m.	1
2007-08	Monday, 4 th February, 2008.	7th Floor, Shikhar, Near Adani House, Navrangpura, Ahmedabad – 380 009.	9.30 a.m.	1

No Extra Ordinary General Meetings were held during the year 2004-05 and 2005-06.

Postal Ballot

During the year under review, the voting by means of postal ballot processes were conducted thrice for seeking approval of the shareholders as under :

Date of Notice	Date of Result	Special Resolutions passed	Results
16-04-2007	04-06-2007	<p>1) Approval u/s. 372A of the Companies Act, 1956 to authorize the Board to make inter-corporate investments, give loans and provide guarantee / security.</p> <p>2) Approval u/s. 17 of the Companies Act, 1956 to alter main object clause of Memorandum of Association.</p>	<p>1. Total number of votes polled in favour of the resolution were 104,391,412 as against 6578 votes polled against the resolution. Resolution was passed as special resolution.</p> <p>2. Total number of votes polled in favour of the resolution were 104,369,892 as against 2853 votes polled against the resolution. Resolution was passed as special resolution.</p>
29-09-2007	23-11-2007	<p>1. Approval u/s. 372A of the Companies Act, 1956 to authorize the Board to make inter-corporate investments, give loans and provide guarantee / security.</p> <p>2. Approval u/s. 17 of the Companies Act, 1956 to alter main object clause of Memorandum of Association.</p>	<p>1. Total number of votes polled in favour of the resolution were 129,403,082 as against 1723 votes polled against the resolution. Resolution was passed as special resolution.</p> <p>2. Total number of votes polled in favour of the resolution were 129,400,727 as against 4058 votes polled against the resolution. Resolution was passed as special resolution.</p>
29-01-2008	27-03-2008	Approval u/s. 372A of the Companies Act, 1956 to authorize the Board to make inter-corporate investments, give loans and provide guarantee / security.	Total number of votes polled in favour of the resolution were 165,260,307 as against 60,666 votes polled against the resolution. Resolution was passed as special resolution.

The postal ballot process were carried out as per the procedure laid down in terms of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. All the abovesaid Resolutions were declared passed through requisite majority. Mr. Rohit Choksi, an eminent Practising Chartered Accountant was appointed as Scrutiniser for conducting all three postal ballot processes.

No Special Resolution is proposed to be passed by the Postal Ballot at the ensuing Annual General Meeting.

5. SUBSIDIARY COMPANIES

The Company does not have a material non-listed Indian Subsidiary and hence, it is not mandatory to have an independent director on the Board of such subsidiary Company. The Audit Committee reviews the financial statements, particularly, the investments made by the Company's non-listed subsidiary Companies. The minutes of all the subsidiary Companies (including off-shore subsidiaries) are being placed before the Board for its review.

The accounts of all the subsidiary Companies are being placed before the Board of the Company and the attention of the Directors is being drawn to all the significant transactions and arrangements entered into by the subsidiary Companies. The risk factors and project reports of the Subsidiary Companies are also reviewed by the Audit Committee of the Company.

6. DIVIDEND PAYMENT AND HISTORY (EQUITY SHARES)

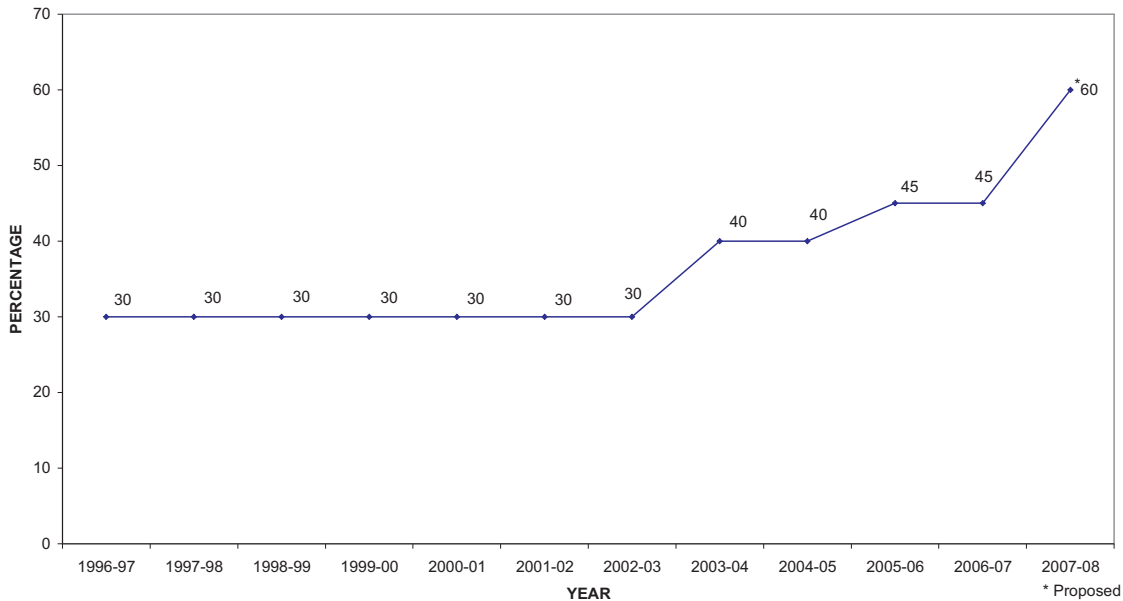
Year	Rate	Per Share (Rs.)	Dividend Payout (Rs. in Lacs)#
1996-97*	30.00%	3.00	222.44
1997-98	30.00%	3.00	330.71
1998-99	30.00%	3.00	330.71
1999-00*	30.00%	3.00	415.60
2000-01	30.00%	3.00	661.42
2001-02	30.00%	3.00	661.42
2002-03	30.00%	3.00	661.42
2003-04	40.00%	4.00	881.89
2004-05	40.00%	0.40	902.16
2005-06	45.00%	0.45	1017.86
2006-07 (Interim)	45.00%	0.45	1109.19
2007-08 (Proposed)	60.00%	0.60	1730.26

* Bonus issue in proportion of 1 : 1

Including dividend tax

The face value of shares changed to Re. 1/- per share w.e.f 7th August, 2004.

CONSISTENT DIVIDEND PAYMENT TRACK RECORD



7. OTHER DISCLOSURES

a) Disclosure on materially significant related party transactions:

The Company has not entered into any material transaction with any related parties as per Accounting Standard that may have any potential conflict with the interests of the Company. The Register of Contracts containing the transactions in which Directors are interested is being placed before the Board regularly for its approval.

The Audit Committee reviews the related party transactions undertaken by the Company in the ordinary course of business.

Transactions with Related Parties are disclosed in Note 29 of Schedule 19 to the Financial Statements of the Annual Report.

b) Details of non-compliance by the Company

The Company has complied with the various rules and regulations prescribed by the SEBI, Stock Exchanges and Statutory Authorities on all matters related to the capital markets during the last three years.

No penalties or strictures have been imposed on the Company.

c) Code of Conduct

The Code of conduct applicable to all Directors and employees of the Company have been posted on the Company's website. For the year under review, all Directors and senior management personnel of the Company have confirmed their adherence to the provisions of the said Codes.

A declaration signed by the Managing Director of the Company is given below:

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Conduct" which is applicable to all directors and designated employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Conduct under a certificate of Code of Conduct for the year 2007-08.

Rajesh S. Adani
Managing Director

The Company also has in force a Code of Conduct for prevention of Insider Trading in the Shares of the Company for directors and other specified Persons in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992;

d) CEO / CFO Certificate

The Managing Director and the Chief Financial Officer (CFO) of the Company have furnished the requisite certificate to the Board of Directors under Clause 49 VII of the Listing Agreement.

8. MEANS OF COMMUNICATION

a) Quarterly, Half-yearly and Annual Results

Effective communication of information is an essential component of Corporate Governance. It is in process of transmitting information, and plans to stakeholders. The Company regularly interacts with shareholders through multiple channels of communication such as result announcement, annual report, media releases, website and also through communication.

The Company publishes the quarterly, half-yearly and annual results in the leading newspapers such as Business Standard (E) and Lokstatta Jansatta (G) after its announcement.

These results are also made available on the website of the Company www.adani.in.

The quarterly results, shareholding pattern and Annual Report of the Company are also posted on SEBI's website www.sebidifar.nic.in in compliance to Clause 52 of the Listing Agreement.

- b) The Company intimates to Stock Exchanges all price sensitive and other informations which are material and relevant to the shareholders.
- c) Management Discussion and Analysis Report is attached with the Directors Report in this Annual Report.



9. GENERAL SHAREHOLDER INFORMATION

A. Details of ensuing AGM :

Day and Date	Time	Venue
Friday 26 th September, 2008	10.00 a.m.	Bhaikaka Bhavan, Law Garden, Ellisbridge, Ahmedabad – 380 006.

B. Financial Calendar : (tentative and subject to change)

Your Company observes 1st April to 31st March as its financial year. The tentative schedule of Board Meetings for consideration of financial results for the year ended 31st March, 2009 are as under :

Period		Approval of Quarterly results
For the first quarter ending 30 th June, 2008	:	By July, 2008.
For the second quarter and half year ending 30 th September, 2008	:	By October, 2008.
For the third quarter ending 31 st December, 2008	:	By January, 2009
For the year ending 31 st March, 2009	:	By April/ May 2009.

Limited Review by the Auditors : August end, 2008
November end, 2008
February end, 2009

C. Date of Book Closure : 20th September, 2008 to 26th September, 2008 (both days inclusive)

D. Dividend Payment Date : On or around 1st October, 2008.

E. Listing on Stock Exchanges:

(a) The equity shares of the Company are listed with the following stock exchanges

Bombay Stock Exchange Ltd. (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	(Stock Code : 512599)
National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra -Kurla Complex, Bandra (E), Mumbai – 400 051.	(Stock Code : ADANIENT)

Foreign Currency Convertible Bonds (FCCBs) :

Aggregating to USD 250 Mn issued in January, 2007 are listed at

Singapore Exchange Ltd. 2 Shenton way # 19-00 SGX Centre 1, Singapore 068804	(Code : XS0282031870)
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The Shares of the Company are delisted from Ahmedabad Stock Exchanges w.e.f. 20th December, 2007.

(b)	Depositories :	1. National Securities Depository Ltd. Trade World, 4 th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
		2. Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 28 th Floor, Dalal Street, Mumbai – 400 023.

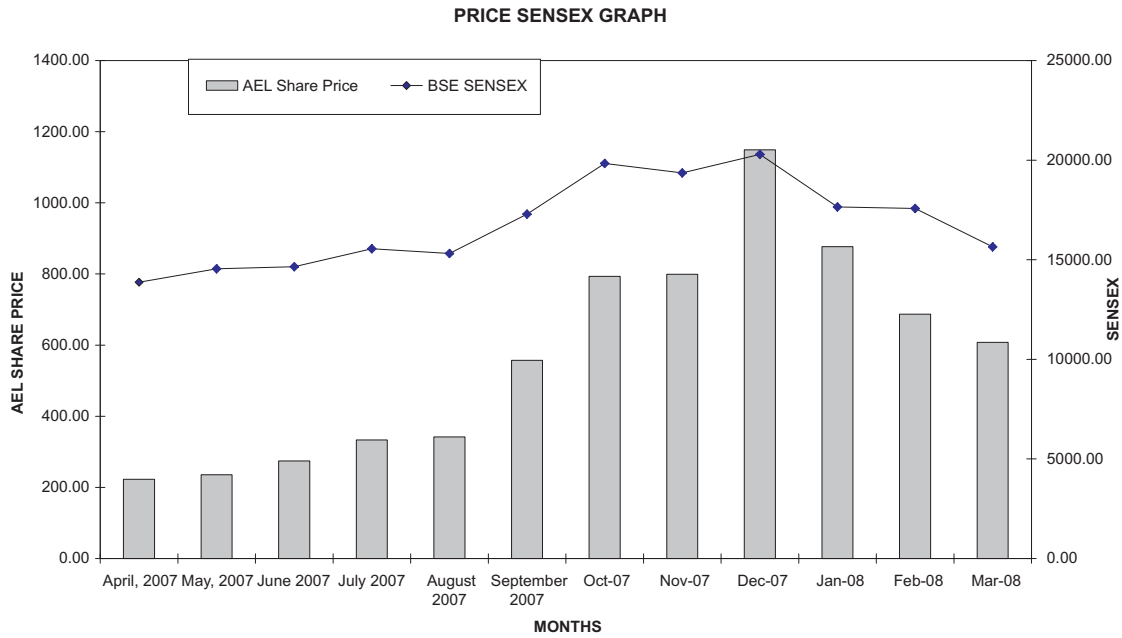
The Shares of the Company are traded compulsorily in Demat Segments. The ISIN No. allotted to the Company's equity shares under the depository system is **INE423A01024**.

Annual Issuer charges for the year 2008-2009 have been paid to the above depositories.

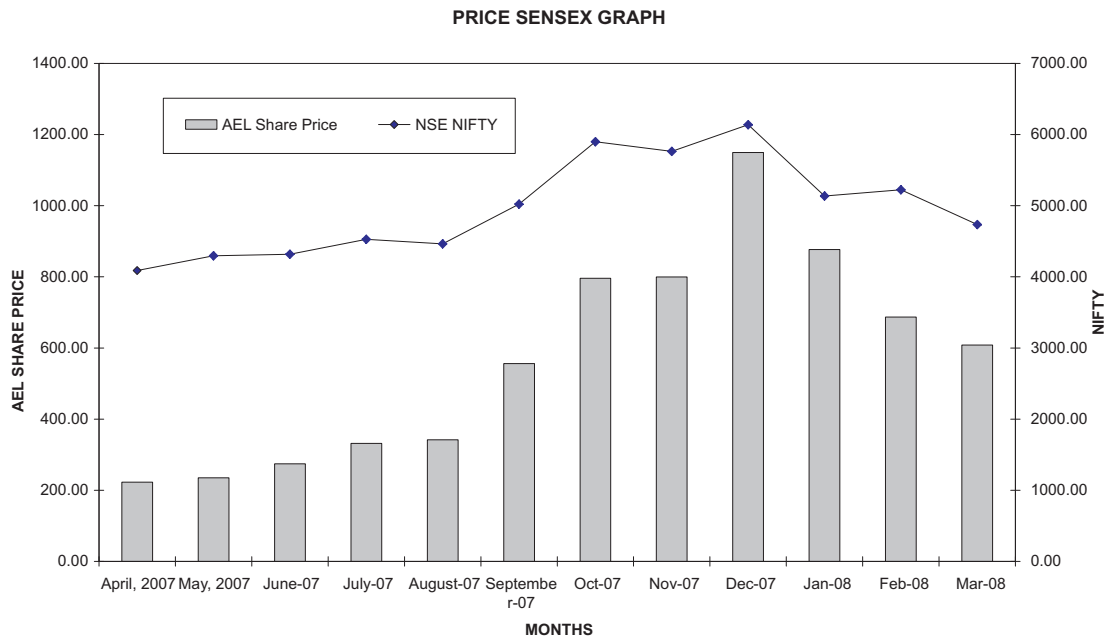
F. Market Price Data : High, Low and volime during each month in financial year 2007-08.
Monthly share price movement during the year 2007-08 at BSE & NSE :

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April	233.00	201.05	4166874	232.50	200.00	3656308
May	252.95	191.05	4750571	254.00	191.55	4820276
June	282.45	229.50	3263716	282.50	228.50	3075442
July	335.00	268.00	3841847	334.00	268.00	3286044
August	367.00	310.00	5171971	369.95	312.20	5227206
September	582.00	344.05	10961630	583.90	341.00	10276410
October	870.00	562.50	12738311	869.85	565.00	14975851
November	885.80	761.00	4967643	884.65	761.30	5482091
December	1148.90	774.00	4217889	1149.35	770.00	5133757
January	1335.00	856.25	4111088	1330.60	845.85	4809801
February	905.00	653.40	1704982	910.00	650.65	2242661
March	707.00	490.00	2637202	728.00	495.00	3180788

G. Performance in comparison to broad-based indices such as BSE Sensex.



Performance in comparison to broad-based indices such as NSE Nifty



I. Registrar and Transfer Agents :

M/s. Pinnacle Share Registry Private Limited are appointed as Registrar and Transfer (R & T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s. Pinnacle Shares Registry Private Ltd.
Unit : (Adani Enterprises Limited)
Near Asoka Mills Ltd., Naroda Road, Ahmedabad - 380 025.
Tel: +91-79-22200582, 22200338.
Fax : +91-79-22202963.

Contact Person :

Mr. Girish Patel
General Manager
E-mail : girish.patel@psrpl.com

Shareholders are requested to correspond with the R & T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

Transfer to Investor Education and Protection Fund (IEPF)

The amount of dividend that remained unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the relevant investors, before transfer of dividend to IEPF.

During the year under review, the unclaimed dividend amount for the year 1999-2000 were transferred to Investor Education and Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956.

J. Share Transfer System :

All the transfers received are processed by the Registrar and Share Transfer Agents and are approved by the Transfer Committee fortnightly. The share transfer committee met 21 times during the year 2007-08.

All share transfers and other communications regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

All valid share transfers during the year ended 31.03.2008 have been acted upon.

Pursuant to Clause 47 (c) of the Listing Agreement with the stock exchanges, certificates, on half yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in Practice for timely dematerialization of the shares of the Company and for conducting secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

K. Dematerialisation of Shares and Liquidity :

Your Company's shares are traded compulsorily in dematerialized form.

The equity shares of your Company are frequently traded on NSE and BSE. Details of Shares dematerialized upto March 31, 2008 are as under :

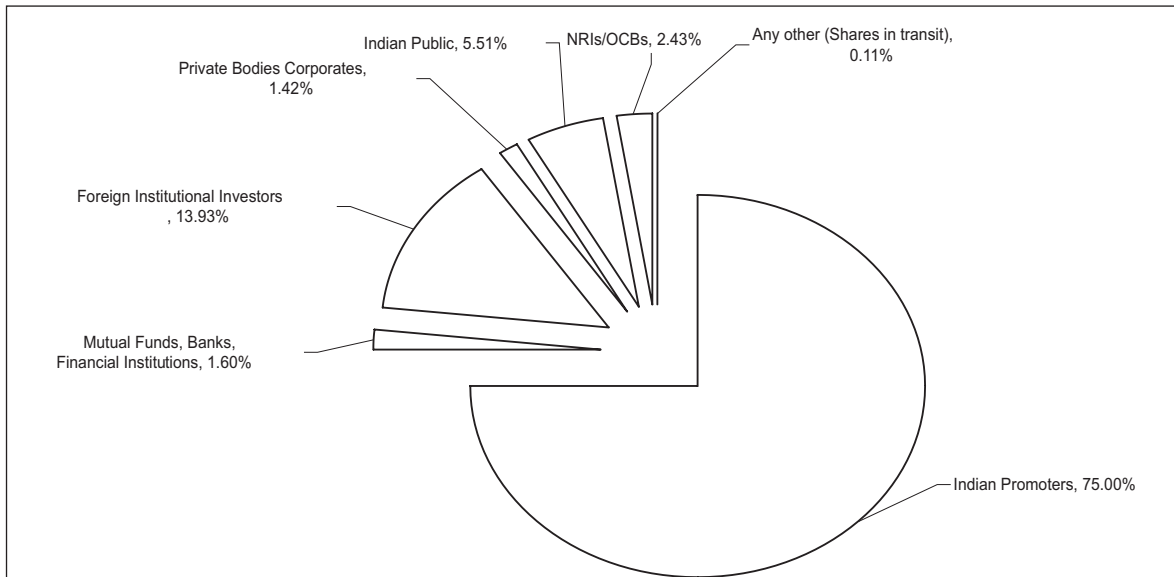
No. of Shares (in demat form as on 31.03.2008)	% of Shares	No. of Shareholders (in demat form)	% of Shareholders
245737044	99.70	18782	98.98

L. Distribution of Shareholding as on March 31, 2008.

Number of shares category	Number of shareholders		Equity Shares held in each category	
	Holders	% of Total	Total Shares	% of Total
1 to 5000	18584	97.94	4393345	1.78
5001 to 10000	138	0.73	1028829	0.42
10001 to 20000	94	0.50	1370689	0.56
20001 to 30000	26	0.14	655657	0.27
30001 to 40000	22	0.12	773271	0.31
40001 to 50000	11	0.05	507237	0.21
50001 to 100000	35	0.18	2478960	1.00
100001 and above	65	0.34	235278987	95.45
TOTAL	18975	100.00	246486975	100.00

M. Shareholding Pattern as on 31st March, 2008 :

Category	No. of Shares held	(%) of total
Indian Promoters	184855231	75.00
Foreign Institutional Investors	34326342	13.93
Mutual Funds, Banks and Financial Institutions	3958322	1.60
N.R.I. /O.C.B. / Foreign National	5988680	2.43
Private Bodies Corporate	3488073	1.42
Public	13591571	5.51
Any other (Shares in transit)	278756	0.11
Total	246486975	100.00



N. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity.

Foreign Currency Convertible Bonds (FCCBs)

All 25000 FCCBs of USD 250 million are outstanding for conversion as on March 31, 2008.

These FCCBs can be converted into 61,111,111 Equity Shares of the Company during any time during the conversion period from 27 January 2008 to 27 December 2011 at the option of FCCB holders.

The shares to be issued upon conversion of FCCBs shall rank pari passu with the existing equity shares of the Company in all respects.

O. Plant Locations :

The Company is a “Five Star Export House” engaged in export/import of goods and is having no plants.

P. Address for correspondence :

The shareholders may address their communications / suggestions / grievances /queries to :

<p>1. Mr. Parthiv Parikh Asst. Company Secretary and Compliance Officer Adani Enterprises Ltd. “Adani House”, Near Mithakhali Six Roads, Navarangpura, Ahmedabad 380 009 Tel No. (079) 25555 555, 26565 555, 25555 080(DID). Fax No. (079) 26565 500, 25555 500. Email: parthiv.parikh@adani.in</p>	<p>2. Mr. Girish Patel, General Manager M/s. Pinnacle Share Registry Private Ltd. Unit : (Adani Enterprises Limited) Near Asoka Mills Ltd., Naroda Road, Ahmedabad - 380 025. Tel: +91-79-22200582, 22200338. Fax : +91-79-22202963. E-mail : girish.patel@psrpl.com</p>
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B. NON-MANDATORY REQUIREMENTS

The non mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below :

a. Chairman's Office

The Company has an Executive Chairman and hence, the need for implementing this non mandatory requirement has not arisen.

b. Remuneration Committee

The Company has a Remuneration Committee to recommend appointment / re-appointment and to recommend/review remuneration of the Executive Chairman / Managing / Wholetime Directors.

c. Shareholder rights

The quarterly / half quarterly results of the Company after being subjected to a Limited Review by the Statutory Auditors are published in newspapers and on Company's website www.adani.in. The same are also available on the Electronic Data Information Filing and Retrieval System at www.sebiedifar.nic.in.

d. Postal Ballot

The provisions relating to Postal Ballot has been complied with in respect of matters where applicable.

e. Audit Qualifications

The Company continues to adopt best practices to ensure the regime of unqualified financial statements. Statutory Auditors have issued an unqualified opinion on the statutory financial statements of the Company.

f. Whistle Blower Policy

The employees of the Company are accessible to the senior management for any counseling or consultation and the Company has not denied any employee access to the audit committee.

g. Training of Board Members

All the Non-Executive Directors have rich experience and expertise in their functional areas. During Audit and Board Meetings, the management and working Directors give extensive briefings to the Board Members on the business of the Company.

Independent Directors may have a tenure not exceeding, a period of nine years, on the Board of the Company. None of the Independent Directors on our Board have served for a tenure exceeding nine years from the date when the new Clause 49 became effective.

Auditors' Certificate on Corporate Governance

The Members,
Adani Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Adani Enterprises Limited for the year ended on March 31, 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

Place : Ahmedabad
Date : 28th May, 2008.

(D. A. PARIKH)
Partner



28th May, 2008.

The Board of Directors
Adani Enterprises Ltd.
Ahmedabad.

CERTIFICATION BY

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We have reviewed the financial statements and the cash flow statements for the year 2007-2008 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that :
 - (a) there have been no significant changes in internal control during this year.
 - (b) there have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements; and
 - (c) there have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control systems.

Rajesh S. Adani
Managing Director

Devang Desai
Chief Financial Officer

Auditor's Report to the members of ADANI ENTERPRISES LIMITED

We have audited the attached Balance Sheet of **ADANI ENTERPRISES LIMITED** as at 31st March, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii) The Balance Sheet, Profit & Loss Account and Cash-flow statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the State of affairs of the Company as at 31st March,2008;
 - b) in the case of Profit & Loss account, of the Profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

D. A. PARIKH
Partner

Place : Ahmedabad
Date : 28th May,2008.

**ANNEXURE TO THE AUDITOR'S REPORT
RE: ADANI ENTERPRISES LIMITED**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The same are in the process of being updated;
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) As the Company has disposed off an insignificant part of the fixed assets during the year, paragraph 4(i)(c) of the Companies (Auditors' Report) Order, 2003 (hereinafter referred to as the Order) is not applicable.
- (ii) (a) During the year, the inventories have been physically verified by the management, except for stocks lying with third parties, which have, however, been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanation given to us, the Company had granted unsecured loan to five companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,725.14 Crores and the year end balance of loans granted to such parties was Rs. 1,061.36 Crores. The Company has not granted secured or unsecured loans to firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the rate of interest, except the interest free loan given to its wholly owned Subsidiary and the other terms and conditions on which loans have been granted to companies listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (c) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest, in respect of unsecured loan given to wholly owned subsidiary, the loan is interest free and in absence of an agreement on repayment terms and conditions, we are unable to comment about of regularity of principal payment.
- (d) There is no overdue amount of loans granted to Companies listed in the register maintained under section 301 of the Companies Act, 1956. Consequently, requirement of clause (iii.d) of paragraph 4 of the Order is not applicable.

- (e) According to the information and explanation given to us, the Company has not taken any loan secured or unsecured from Companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly para 4(iii) (e, f & g) of the order are not applicable to the Company.
- (iv) According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of the contracts or arrangements that need to be entered into the register maintained under section 301 have been so entered.
- (b) In respect of transactions made in pursuance of such contracts or arrangements have been entered into during the financial year are reasonable except in some of the transactions, for which no comments is being made owing to the unique and specialized nature of the items involved and absence of any comparable prices. For price justification reliance is placed on the information and explanation given by the management.
- (vi) The Company has not accepted deposits from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 or any other relevant provisions of the Act and the Rules framed there under. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company has an internal audit system, which in our opinion is commensurate with its size and the nature of its business.
- (viii) According to the information and explanations given to us, the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the Company. Accordingly paragraph 4(viii) of the Order is not applicable.
- (ix) (a) As explained to us, the statutory dues payable by the Company comprises of Provident Fund, Investors Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax/VAT, Wealth Tax, Service Tax, custom duty, excise duty, cess, octroi, entry tax, purchase tax, Municipal tax and other applicable statutory dues. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities; however there has been delay in few cases which is not in arrears for more than six months at the end of financial year. There are no undisputed statutory dues as referred to above as at March 31, 2008 outstanding for a period of more than six months from the date they become payable.
- (b) According to the records of the Company and representation made by the Management, the following are the disputed amounts in respect of various statutes:

STANDALONE FINANCIAL STATEMENTS

Name of Statute	Nature of the dues	Amount (Rs. in Crores)	Forum where disputes are pending
Income Tax Act, 1961	Additions made in regular assessments	1.46	Appellate Tribunal, Ahmedabad.
Income Tax Act, 1961	Additions made in regular assessments	0.02	Gujarat High Court.
Income Tax Act, 1961	Additions made in regular assessments	0.20	CIT Appeal, Ahmedabad.
Gujarat Sales Tax Act	Sales Against Sales declaration forms	0.07	Dy. Commissioner Appeals, Ahmedabad
West Bengal Sales Tax	Sales Tax Liability	0.11	Dy. Commissioner Appeals, Calcutta
Maharashtra Sales Tax	Sales against sales declaration forms	0.31	Joint Commissioner Appeal, Mumbai
Maharashtra Central sales Tax	Pending submission of "C" form	0.69	Joint Commissioner Appeal, Mumbai
Kerala VAT Tax	High seas claim disallowed	0.98	Dy. Commissioner Appeals, kochin
Customs Act, 1962	Valuation of various products	Amount Unascertainable	With various appellate authorities
Customs Act, 1962	Valuation of Fuel Oil	0.07	Asst. Commissioner of customs, Mundra
Customs Act, 1962	Valuation of coal	0.39	With various Assessing & Appellate Authorities.
Customs Act, 1962	Valuation of Raw Silk	0.22	Customs, Excise and Service Tax appellate Tribunal, Chennai.
Customs Act, 1962	Valuation of CD ROM	0.05	CESTAT – Mumbai
Customs Act, 1962	Valuation of Export price of CD ROM	0.30	Commissioner of Customs, ICD, Tuglakabad
Foreign Exchange Regulation Act	Import of CD ROM	4.00	Appellate Tribunal for Foreign Trade
Customs Act, 1962	Claim of duty benefit on basis of Import License	0.74	Supreme Court
Customs Act, 1962	Disputed Exports	0.22	Commissioner of Customs, Mumbai
Customs Act, 1962	Valuation of CD ROM & Availment of DEPB Credit	2.31	CESTAT, Mumbai
Customs Act, 1962	Valuation of CD ROM	0.41	Supreme Court
Customs Act, 1962	Import of Lam Coke and clearance of the same using advance licence	0.83	Supreme Court
Foreign Exchange Regulation Act	Import of CD ROM by Pioneer	0.16	Enforcement Directorate, Bangalore
Customs Act, 1962	Demand of differential and education cess on export of Iron ore	1.46	Commissioner of Customs, Manglore.

STANDALONE FINANCIAL STATEMENTS



- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank and debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause (xii) of paragraph 4 of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In respect of dealing in securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. All investments at the end of the year are held in the name of the Company.
- (xv) In respect of guarantees given by the Company for loans taken by others from banks, the terms and conditions are prima facie not prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and as explained, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the Cash-flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have not, prima facie, been used during the year for long term investment except permanent working capital.
- (xviii) The Company has not made any Preferential Allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act. Accordingly paragraph 4(xviii) of the Order is not applicable.
- (xix) The Company has created securities or charge in respect of secured debentures issued and outstanding at the year end.
- (xx) During the year, since the Company has not raised money by way of public issue, paragraph 4(xx) of the Order is not applicable.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended 31st March, 2008.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

Place: Ahmedabad
Date : 28th May,2008.

D. A. PARIKH
Partner

ADANI ENTERPRISES LIMITED
BALANCE SHEET AS AT 31st MARCH, 2008

(RS. IN CRORES)

PARTICULARS		SCHEDULE	AS AT 31-03-2008		AS AT 31-03-2007	
A	SOURCES OF FUNDS :					
I.	SHAREHOLDERS' FUND					
	(A) Share Capital	1	24.65		24.65	
	(B) Reserves & Surplus	2	1,313.01		1,019.53	
				1,337.66		1,044.18
II.	LOAN FUNDS :					
	(A) Secured Loans	3	217.38		887.09	
	(B) Unsecured Loans	4	2,845.14		2,137.46	
				3,062.52		3,024.55
III.	DEFERRED TAX LIABILITY					
	Deferred Tax Liability		19.18		18.89	
	Less :					
	Deferred Tax Assets		3.03		1.99	
				16.15		16.90
	TOTAL			4,416.33		4,085.63
B	APPLICATION OF FUNDS :					
I.	FIXED ASSETS	5				
	(A) Gross Block		233.55		225.50	
	(B) Less : Depreciation		31.60		20.78	
	(C) Net block		201.95		204.72	
	(D) Capital Work-In-Progress		17.15		3.26	
				219.10		207.98
II.	INVESTMENTS	6		1,494.77		600.82
III.	CURRENT ASSETS, LOANS & ADVANCES					
	(A) Inventories	7	914.89		398.78	
	(B) Receivables	8	1,230.62		1,653.58	
	(C) Cash & Bank Balances	9	1,089.58		1,357.88	
	(D) Loans & Advances	10	1,746.41		1,618.68	
			4,981.50		5,028.92	
	LESS :-					
	CURRENT LIABILITIES & PROVISIONS					
	(A) Current Liabilities	11	2,115.33		1,651.22	
	(B) Provisions	12	163.71		100.87	
			2,279.04		1,752.09	
	NET CURRENT ASSETS			2,702.46		3,276.83
	TOTAL			4,416.33		4,085.63

Notes forming part of the accounts
As per our attached report of even date

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For and on behalf of the Board

For **DHARMESH PARIKH & CO.,**
Chartered Accountants

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

D. A. PARIKH
Partner

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

PLACE : AHMEDABAD
DATE : 28th May,2008.

PLACE : AHMEDABAD
DATE : 28th May,2008.

STANDALONE FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

(RS. IN CRORES)

	PARTICULARS	SCHEDULE	2007-2008		2006-2007	
A	INCOME :					
	Sales & Operating Earnings	13		11,595.44		10,151.66
	Other Income	14		29.17		3.99
				11,624.61		10,155.65
B	EXPENDITURE :					
	Cost of Materials	15		10,632.48		9,476.84
	Personnel Expenses	16		53.49		33.72
	Operation & Other Expenses	17		421.07		295.55
	Finance Charges	18		154.38		143.68
	Depreciation			11.25		6.90
				11,272.67		9,956.69
	Profit for the year before Prior Period Adjustments			351.94		198.96
	Add/(less) : Prior Period Adjustment			(1.66)		(0.66)
	Add : Excess Provision Written Back			2.23		0.01
	Profit for the year before taxation			352.51		198.31
	Provision For Taxation:					
	- Current Tax			41.04		33.65
	- Adjustment of earlier years			(1.87)		2.49
	- Deferred Tax			(0.09)		10.18
	- Fringe Benefit Tax			1.36		1.30
	Profit After Taxation			312.07		150.69
	Add Surplus Brought Forward From Previous Year			371.61		323.85
	Profit Available For Appropriation			683.68		474.54
	APPROPRIATIONS :					
	Proposed Dividend on Equity Shares			14.79		-
	Tax on Dividend (including surcharge)			2.51		-
	Interim Dividend on Equity Shares			-		11.34
	Tax on Interim Dividend (including surcharge)			-		1.59
	Transfer to General Reserve			50.00		30.00
	Transfer to Debenture Redemption Reserve			10.00		60.00
	Balance Carried To Balance Sheet			606.38		371.61
				683.68		474.54
	Earning per Share of Re. 1/- each					
	- Basic			12.66		6.35
	- Diluted			11.92		6.35

Notes forming part of the accounts
 As per our attached report of even date

19

For and on behalf of the Board

For **DHARMESH PARIKH & CO.**,
 Chartered Accountants

DEVANG S DESAI
 Chief Financial Officer

GAUTAM S. ADANI
 Chairman

D. A. PARIKH
 Partner

PARTHIV PARIKH
 Asst. Company Secretary

RAJESH S. ADANI
 Managing Director

PLACE : AHMEDABAD
 DATE : 28th May,2008.

PLACE : AHMEDABAD
 DATE : 28th May,2008.

**ADANI ENTERPRISES LIMITED
SCHEDULES 1 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008**

(RS. IN CRORES)

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
SCHEDULE : 1				
SHARE CAPITAL				
AUTHORISED				
50,00,00,000 (Previous Year 50,00,00,000) Equity Shares of Re. 1/- (Previous Year Re. 1/-) each		50.00		50.00
5,00,00,000 (Previous Year 5,00,00,000) Preference Shares of Rs. 10/- each		50.00		50.00
		100.00		100.00
ISSUED, SUBSCRIBED & PAID-UP				
24,64,86,975 (Previous Year 24,64,86,975) Equity Shares of Re. 1/- each		24.65		24.65
		24.65		24.65
NOTES :				
Of the above Equity Shares				
(i) 2,60,12,975 (Previous Year 2,60,12,975) Equity shares of Re. 1/- each were allotted as fully paid up at premium on conversion of foreign currency convertible bonds.				
(ii) 50,00,000 (Previous Year 50,00,000) Equity Shares of Re. 1/- each were allotted as fully paid up at premium without payment being received in cash, on amalgamation.				
(iii) 50,00,000 (Previous Year 50,00,000) Equity Shares of Re. 1/- each were issued as Bonus Shares by capitalisation of profit.				
(iv) 16,53,55,000 (Previous Year 16,53,55,000) Equity Shares of Re. 1/- each were issued as Bonus shares by capitalisation of share premium.				
SCHEDULE : 2				
RESERVES & SURPLUS				
1 GENERAL RESERVE				
As per last balance sheet	396.61		366.61	
ADD :- Transferred during the year from Profit & Loss Account	50.00		30.00	
ADD :- Transferred from Debenture redemption Reserve	50.00		-	
LESS :- Adjustment for Gratuity(As per AS-15-Revised) net of deferred tax (Refer Note 28)	1.29		-	
		495.32		396.61
2 DEBENTURE REDEMPTION RESERVE				
As per last balance sheet	70.00		10.00	
ADD :- Created during the year	10.00		60.00	
LESS :- Transfer to General Reserve	50.00		-	
		30.00		70.00
3 SHARE PREMIUM ACCOUNT				
As per last balance sheet	181.31		47.35	
ADD :- Amount received on conversion of Foreign Currency Convertible Bonds	-		133.96	
		181.31		181.31
4 SURPLUS IN PROFIT & LOSS ACCOUNT				
		606.38		371.61
		1,313.01		1,019.53

ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

PARTICULARS	(RS. IN CRORES)	
	AS AT 31-03-2008	AS AT 31-03-2007
SCHEDULE : 3		
SECURED LOANS		
1 From Banks - Term Loans (Note I & II)	68.96	596.99
2 From Banks - Working Capital (Note I & II)		
a) In Foreign Currency	-	48.50
b) In Rupee	97.40	189.72
3 Non Convertible Debenture (Note III)	50.00	50.00
4 Vehicle Loans (Note - IV)	0.21	0.66
5 Home Loans (Note - V)	0.81	1.22
	217.38	887.09
NOTES :		
I Above facilities are secured by :		
a) Hypothecation of the stocks and book debts by way of first charge ranking pari-passu among the Banks.		
b) Hypothecation of furnitures & fixtures at Corporate House Guargaon.		
c) Tangible movable properties ranking pari-passu among the Banks.		
d) Guarantee given by some of the Directors in their personal capacity.		
e) Pledge of 1,00,00,000 equity shares of Mundra Port & SEZ Ltd.held by an associate Company.		
II Further secured by creation of Equitable Mortgage :		
a) Over certain immovable properties of the Company.		
b) Over certain immovable properties of the associate Company.		
III The above debentures are secured by		
a) Hypothecation on movable properties of the Company situated at Belekeri Port (Karnataka).		
b) Equitable Mortgage over an immovable property of the Company.		
c) Pledge of shares of some of the promoters and their relatives		
d) Non Convertible Debentures of Rs. 50 crores shall be redeemed in three equal installments at the end of third, fourth and fifth year from the date of allotment i.e. 26th August, 2005.		
IV Vehicles loans are secured by hypothecation of assigned vehicles.		
V Home loans are secured by hyphothecation of assigned properties.		
SCHEDULE : 4		
UNSECURED LOANS		
Foreign Currency Convertible Bonds (Note - I & II)	1,106.28	1,106.28
Inter Corporate Loans	-	5.00
Loans from Banks / Financial institutions (Note - III)	1,738.86	1,026.18
	2,845.14	2,137.46
NOTES :-		
I Bonds are convertible into equity shares at the option of bondholders, any time during the conversion period from January 27, 2008 to 27 December 2011. Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed at maturity date, without further notice, on 27th January, 2012.		
II The Company also has an option to convert at any time, on or after 27th July,2008 and prior to 27th January,2012, the bonds into equity shares as per the agreed terms of the FCCB issue.		
III Loans from Banks / Financial Institutions are secured by Demand Promissory Note and/or Pledge of shares of some of the Promoters and their relatives and/or guaranteed by some of the Directors in their personal capacity.		



STANDALONE FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

SCHEDULE : 5
FIXED ASSETS :

(RS. IN CRORES)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 1-4-2007	Additions during the year	Deductions during the year	As at 31-3-2008	As at 1-4-2007	Provided for the year	Deductions during the year	As at 31-3-2008	As at 31-3-2008	As at 31-3-2007
A	Tangible										
1	Land	12.99	1.36	1.83	12.53	0.00	0.00	0.00	0.00	12.53	12.99
2	Building	35.23	1.54	0.71	36.06	2.85	0.58	0.02	3.41	32.65	32.38
3	Plant & Machinery	86.84	2.61	0.62	88.83	2.76	4.19	0.01	6.94	81.90	84.08
4	Furniture & Fixtures	14.02	0.87	0.33	14.57	3.55	0.98	0.01	4.53	10.04	10.47
5	Electrical Fittings	4.78	0.06	0.00	4.84	0.58	0.30	0.00	0.89	3.95	4.20
6	Office Equipment	8.86	1.27	0.02	10.11	1.59	0.48	0.01	2.06	8.05	7.27
7	Computer Equipments	8.45	1.28	0.18	9.53	3.57	1.11	0.17	4.51	5.02	4.88
8	Vehicles	9.94	2.90	0.54	12.31	3.07	0.96	0.22	3.81	8.50	6.87
9	Air Craft	14.26	0.00	0.00	14.26	1.84	0.80	0.00	2.63	11.63	12.42
10	Ship	27.22	0.23	0.00	27.46	0.58	1.37	0.00	1.95	25.50	26.64
	(A) Total	222.59	12.12	4.23	230.49	20.39	10.77	0.44	30.73	199.76	202.20
B	Intangible										
1	Software	2.91	0.15	0.00	3.06	0.39	0.48	0.00	0.87	2.19	2.52
	(B) Total	2.91	0.15	0.00	3.06	0.39	0.48	0.00	0.87	2.19	2.52
	Grand Total(A+B)	225.50	12.27	4.23	233.55	20.78	11.25	0.44	31.60	201.95	204.72
	Previous Year	81.67	144.75	0.93	225.50	14.44	6.90	0.55	20.78	204.72	-

(RS. IN CRORES)

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
SCHEDULE : 6				
INVESTMENTS -				
(A) LONG-TERM INVESTMENTS (NON TRADE) (UNQUOTED)				
GOVERNMENT SECURITIES (Lodged with Government departments) - in 6 year National Saving Certificates			0.02	0.02
INVESTMENT IN SUBSIDIARY COMPANIES				
1) 64,000 (64,000) fully paid up equity shares of Adani Global Ltd. of \$ 100/- each			30.90	30.90
2) 10,26,375 (11,190) fully paid up redeemable preference shares of Adani Global Ltd. of \$ 100/- each.			409.53	4.59
3) 4,56,10,000 (4,56,10,000) equity shares of Adani Agrifresh Ltd of Rs 10/- each			45.61	45.61
4) 50,00,00,000 (26,06,90,000) Equity Shares of Adani Power Ltd of Rs 10/- each *			500.00	260.69
5) 6,98,28,000 (4,88,28,000) equity shares of Adani Agri Logistics Ltd. of Rs. 10/- each. #			69.83	48.83
6) 3,00,00,000 (5,10,00,000) equity shares of Adani Agri Logistics Ltd. of Rs. 10/- each. # Less : Calls Unpaid	30.00		51.00	
	7.56		46.37	4.63
7) 50,000 (50,000) equity shares of Adani Infrastructure & Developers Pvt Ltd of Rs 10/- each			0.05	0.05
8) 50,000 (50,000) equity shares of Vyom Tradelink Pvt Ltd of Rs 10/- each			0.05	0.05
9) 50,000 (Nil) equity shares of Adani Habitats Pvt Ltd of Rs 10/- each			0.05	-
10) 5,50,000 (Nil) equity shares of Adani Welspun Exploration Ltd of Rs 10/- each			0.55	-
11) 50,000 (Nil) equity shares of Miraj Impex Pvt Ltd of Rs 10/- each			0.05	-
12) 50,000 (Nil) equity shares of Adani Mining Pvt Ltd of Rs 10/- each			0.05	-
13) 3,70,000 (Nil) equity shares of Parsa Kente Collieries Ltd of Rs 10/- each			0.37	-
OTHERS				
1) 2,98,59,108 (2,98,59,108) Equity Shares of Adani Wilmar Ltd of Rs. 10/- each			87.15	87.15
2) Nil (5) Bond of UCO Bank of Rs. 5,00,000/- each.			-	0.25
3) Nil (2,600) equity shares of Adani Petronet (Dahej) Port Pvt. Ltd. of Rs. 10/- each.			0.00	0.00
4) 20,000 (20,000) equity shares of Kalupur Commercial Co-op. Bank of Rs. 25/- each			0.05	0.05
5) Nil (34,79,000) equity shares of Adani Retail Ltd of Rs. 10/- each.			-	3.48
6) 3,52,000(3,52,000) equity shares of Mundra SEZ Textile & Apparel Park Pvt Ltd of Rs. 10/- each.			0.35	0.35
7) 3,61,08,450(3,61,08,450) 0% Optionally Fully Convertible Preference shares of Adani Wilmar Ltd of Rs. 10/- each.			36.11	36.11
8) Nil(4900) equity shares of Advantage Retail Private Ltd of Rs. 10/- each.			-	0.00
9) 12,50,000(Nil) equity shares of Indian Energy Exchange Ltd of Rs. 10/- each.			1.25	-
(B) INVESTMENT IN PARTNERSHIP FIRM			252.85	73.04
(C) CURRENT INVESTMENT (QUOTED)				
1) 37(Nil) Bond of Andhra Bank of Rs. 10,00,000/- each.			3.70	-
2) 138 (Nil) Bond of State Bank of India of Rs.10,00,000/- each.			14.76	-
3) 40 (Nil) Bond of State bank of Mysore of Rs. 10,00,000/- each.			4.05	-
4) Nil (5000) Equity Shares of Hindalco Ltd @ Re 1/- each, partly paid up of Rs 0.50 (PY Rs 0.50)			-	0.02

STANDALONE FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
(D) SHORT TERM INVESTMENTS (UNQUOTED)				
1) Nil (18292.476) units of DSP Merrill Lynch Liquidity Fund of Rs.1000/- each		-		2.00
2) Nil (16215.166) units of UTI Mutual Liquid Fund of Rs. 1000/- each		-		2.00
3) Nil (856641.110) Units of Principal Mutual Fund of Rs 10/- each		-		1.00
4) 8,280,522.0041 (Nil) Units of SBI Magnum Insta cash option of Rs 10/- each		15.00		-
		1,494.77		600.82
Aggregate Book Value - Quoted		22.51		0.02
- Unquoted		1,472.26		600.80
Aggregate Market Value - Quoted		22.62		0.04

* Includes 10.15 crores shares pledged with banks and financial institutions as collateral security for loans taken by a group company.
 # Include 5.10 crores shares pledged with bank as collateral security for loans taken by a group company.

PURCHASED AND SOLD DURING THE YEAR

(A) MUTUAL FUND

Sr No	Name of Fund	Face value (Rs.)	Nos. (in Crs.)	Cost (Rs in Crores)
1	UTI Liquid Cash Plan	1,000	0.83	1,062.00
2	Reliance Liquidity Fund -Growth Option	10	89.50	1,043.00
3	Kotak Liquid(Institutional Premium)-Growth	10	1.23	20.00
4	DSP Merrill Lynch Liquid - Institutional Growth	1,000	0.25	278.00
5	Prudential Icici Institutional Liquidity - Super Institutional Growth	10	5.98	67.00
6	HDFC Liquid Fund -Premium Plan- Growth	10	7.11	110.00
7	Standard Chartered Liquidity Manager Plus - Growth	1,000	0.28	316.00
8	Fidelity Cash Fund - Institutional Growth	10	4.53	49.00
9	SBI Magnum Insta Cash Option	10	17.77	316.00
10	Principal Institutional Option Growth Plan	10	67.38	814.50
11	Magnum Insta Cash Fund-Daily Dividend Option	10	6.04	101.14
12	UTI Money Market Fund - Growth Plan	10	0.14	3.00
13	JP Morgan India Liquid Fund - Growth Plan	10	8.18	83.00
14	AIG India Liquid Fund Super Institutional - Growth	1,000	0.26	266.00
15	ING Vysya Mutual Fund	10	17.17	214.00
16	Lotus India Liquid Fund-Institutional Growth	10	0.47	5.00
17	Lotus India Liquid Fund-Institutional Plus Growth	10	2.61	28.00
18	DSP Merrill Cash Plus-Institutional Growth	1,000	0.20	205.00
19	JM High Liquidity Fund Super Institutional Plan Daily Dividend	10	2.20	22.00
20	JM High Liquidity Fund Super Institutional Plan Growth (94)	10	6.70	84.50

(B) BONDS

Sr No	Name of Bond	Face value (Rs.)	Nos. (in Crs.)	Cost (Rs in Crores)
1	7.99 % GS 2017	1,000,000	150.00	15.12
2	7.99% 2017 G-Sec	1,000,000	300.00	30.82
3	5.48% 2009 G-Sec	1,000,000	100.00	9.80
4	364D Tbill	1,000,000	100.00	9.98
5	Rajasthan 8.46% 2017	1,000,000	250.00	25.33
6	11.83% GOI 2014	1,000,000	100.00	12.29
7	10.10% SBI Bond	1,000,000	62.00	6.63
8	Andhra Bank	1,000,000	63.00	6.30



STANDALONE FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED
SCHEDULES 1 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008
(RS. IN CRORES)

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
SCHEDULE : 7				
INVENTORIES (AS CERTIFIED BY THE MANAGEMENT)				
Raw-materials		46.87		35.03
Finished Goods		868.02		363.75
		914.89		398.78
SCHEDULE : 8				
RECEIVABLES (UNSECURED)				
Over six months				
Considered good	89.15		83.34	
Considered doubtful	3.61		2.91	
Less :- Provision for doubtful debts	92.76 (3.61)	89.15	86.25 (2.91)	83.34
Others, Considered good		1,141.47		1,570.24
		1,230.62		1,653.58
SCHEDULE : 9				
CASH & BANK BALANCES				
Cash on hand (including cheque on hand Rs 0.72 Crores Previous Year Rs 0.29 Crores)		3.68		1.78
Balances with Scheduled Banks :				
In Margin money account :				
- Margin money account (lodged against Bank Guarantee & Letter of Credit)	206.92		196.54	
- Margin money accounts (net of Buyers Credit & 100% Letter of Credit) (See Note 7 b)	109.21		25.04	
- In Fixed Deposit accounts (pledged with govt. authorities)		316.13		221.58
- In Current Accounts		0.14		0.14
- In EEFC Accounts		121.76		139.50
- In Unclaimed Dividend Accounts		3.32		1.79
		0.21		0.89
Balance with Foreign Bank :				
- In Current Accounts (Deutsche Bank, Luxembourg) (Maximum balance outstanding during the year Rs 0.57 Crores Previous Year Rs.0.57Crores)	-		0.57	
- In Deposit Accounts (Deutsche Bank, Luxembourg-Rs. 644.34 crores & ICICI, Hongkong Rs.16,134/-) Maximum balance outstanding- Deutsche Bank, Luxembourg-Rs. 889.40 crores (p.y. 889.40 crores) ICICI Bank, Hongkong Rs. 102.23 crores (p.y. 1079.73 crores)	644.34		991.63	
		644.34		992.20
		1,089.58		1,357.88
SCHEDULE : 10				
LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD)				
Loans		1,071.94		1,104.29
Advances recoverable in cash or in kind or for value to be received (See Note No 11)		489.31		388.24
Balances with Service Tax Authorities		2.92		4.86
Interest accrued but not due		31.21		15.12
Interest accrued and due on NSC (Lodged with Govt. Authorities)		0.01		0.01
Advance payment of Income tax		151.02		106.16
		1,746.41		1,618.68
SCHEDULE : 11				
CURRENT LIABILITIES				
Sundry Creditors				
-Micro,Small & Medium Enterprises (Refer Note 19)				
-Others	1,842.67		1,369.57	
Other Liabilities		1,842.67		1,369.57
Unclaimed Dividend		246.38		256.49
Interest accrued but not due		0.21		0.89
		26.07		24.27
		2,115.33		1,651.22
SCHEDULE : 12				
PROVISIONS				
Provision for Taxation		138.70		98.16
Provision for Leave encashment / Gratuity		7.71		2.71
Proposed Dividend		14.79		-
Tax on Dividend (Including surcharge)		2.51		-
		163.71		100.87

STANDALONE FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED
SCHEDULES 13 TO 19 FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2008

PARTICULARS	(RS. IN CRORES)	
	2007-2008	2006-2007
SCHEDULE : 13		
SALES & OPERATING EARNINGS		
Sales	11,034.15	9,742.33
Export Incentives	25.17	6.20
Insurance Claim Received	3.39	5.05
Service Charges	128.01	141.53
Profit From Partnership Firm	177.28	71.78
Profit on sale/relinquishment of Development Rights	35.12	13.12
Other Operating Income	192.32	171.65
	11,595.44	10,151.66
SCHEDULE : 14		
OTHER INCOME		
Dividend from Investment in Shares/Mutual fund	0.15	0.09
Interest from Current Investments	0.46	0.05
Dividend from Subsidiary Company	0.38	0.46
Income / Profit from Mutual Fund	3.89	0.83
Profit / (Loss) on Sale / transfer of Investments (net) (Refer Note 14)	0.47	-
Recovery of Bad Debts	1.80	2.34
Miscellaneous Income	0.35	0.22
Liabilities no longer required w/back	0.97	-
Exceptional Items (Net)*	20.70	-
	29.17	3.99
*Represent gain (net) arising out Sale of Associates company's share (long term investment)		
SCHEDULE : 15		
COST OF MATERIALS		
Raw material consumed		
Opening Stock	35.03	46.66
	526.74	993.86
ADD : Purchases during the year (Including Incidental Expenses)	561.77	1,040.52
LESS Closing Stock	46.87	35.03
	514.90	1,005.49
ADD Stock Transfer	-	0.73
	514.90	1,006.22
ADD : Processing Charges	34.03	19.35
	548.93	1,025.57
Purchase of traded goods (Including Incidental Expenses & Net of Stock transfer to Raw Material) (Increase)/Decrease in stock	10,587.82	8,494.08
Opening stock of finished / traded goods	363.75	320.94
Closing stock of finished / traded goods	868.02	363.75
	(504.27)	(42.81)
	10,632.48	9,476.84
SCHEDULE : 16		
PERSONNEL EXPENSES		
Salaries & Bonus	46.62	29.27
Contributions to Provident & Other Funds	4.79	2.75
Staff Welfare Expenses	2.08	1.70
	53.49	33.72

**ADANI ENTERPRISES LIMITED
SCHEDULES 13 TO 19 FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2008**

PARTICULARS	(RS. IN CRORES)	
	2007-2008	2006-2007
SCHEDULE : 17		
OPERATION & OTHER EXPENSES		
Rent (net)	1.56	2.01
Rates & Taxes	3.18	3.05
Postage, Telephone & Telex Expenses	3.14	3.29
Stationery & Printing Expenses	1.10	1.28
REPAIRS TO :		
Office Building	1.10	0.61
Plant & Machinery	0.54	1.19
Others	4.14	0.57
Electric Power Expenses	5.78	2.37
Insurance Expenses	1.26	1.02
Fees & Subscription	3.21	3.65
Miscellaneous Expenses	19.42	31.92
Payment to Auditors	15.70	8.52
Office Expenses	0.24	0.21
Computer Software	1.25	0.93
Directors Sitting Fees	-	0.03
Loss / (Profit) on Sale of Assets (Net)	0.03	0.04
Clearing & Forwarding Expenses (Net)	(0.11)	0.13
Packing Material Consumed	277.50	175.97
Supervision & Testing Expenses.	10.47	0.20
Donation to Political party (Bharatiya Janta Party)	7.52	7.02
Loss of stock due to Accident/ In transit	0.50	-
Advertisement and Selling Expenses	-	0.52
Provision / Write off for doubtful debts, loans & advances	32.87	28.44
Business Support Services	17.27	5.00
Travelling & Conveyance Expenses	9.48	10.32
	9.71	9.63
	421.08	295.55
SCHEDULE : 18		
FINANCE CHARGES		
INTEREST PAID		
Interest on Term Loan/Short Term Loan	145.75	117.27
Interest on Debentures / Bond	81.63	27.50
Interest on Bank Borrowings & Others	142.34	205.94
	369.72	350.71
LESS : INTEREST INCOME		
Interest on Deposit & Others (TDS Rs 0.28 Crore, Previous Year Rs 0.15 Crore)	(249.35)	(171.79)
	120.37	178.92
Bank Commission / Charges	21.26	29.67
Exchange Rate Difference (including premium)	12.75	(64.91)
	154.38	143.68

ADANI ENTERPRISES LIMITED

SCHEDULE: "19"
NOTES FORMING PART OF THE ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts: -

a) **BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The financial statements have been prepared under the historical cost convention using the accrual basis of accounting and comply with all the mandatory Accounting Standards as specified in the Companies (Accounting Standard) Rules 2006 and relevant provisions of the Companies Act, 1956, as adopted consistently by the Company.

b) **USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revision are made.

c) **INVENTORIES**

i). Inventories are valued at lower of cost or Net Realisable value.

ii). Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

iii). The basis of determining cost for various categories of inventories are as follows:

- | | | |
|----------------------------|---|------------------------|
| a) Raw material | : | Weighted Average Cost |
| b) Traded / Finished goods | : | Weighted Average Cost. |

d) **CASH FLOW STATEMENT**

The Cash flow Statement is being prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Accounting Standard-3 prescribed by the Institute of Chartered Accountants of India.

e) **PRIOR PERIOD ITEMS**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Adjustment Account"

f) **DEPRECIATION**

i) Depreciation on Fixed Assets is provided on straight line method at rates and in the manner specified in Schedule XIV to the Companies Act, 1956 read with the relevant circulars issued by the Ministry of Corporate Affairs.

ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

iii) Individual assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

- g) **REVENUE RECOGNITION**
- i) Sales of goods is recognised on shipment or dispatch to customer sales and net of Sales-tax and return.
 - ii) Dividend income from investments is recognised when the Company's right to receive payment is established.
 - iii) Income from services rendered is accounted for when the work is performed.
 - iv) Interest income are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
 - v) Profit/Loss on sale investments are recognized on the contract date.
 - vi) Export benefits under various scheme announced by the Central Government under Exim policies are accounted for on accrual basis to the extent considered receivable, depending on the certainty of receipt.
- h) **FIXED ASSETS**
- i). Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.
 - ii). Expenditure on accounts of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.
 - iii). Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, are charged off to revenue in the year of incurrence.
 - iv). The cost of fixed assets not put to use before the year end, are disclosed under capital work-in-progress.
- i) **FOREIGN CURRENCY TRANSACTIONS**
- i). **Initial Recognition**
Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
 - ii). **Conversion**
At the year-end, monetary items denominated in foreign currencies, other than those covered by forward contracts, are converted into rupee equivalents at the year end exchange rates.
 - iii). **Exchange Differences**
All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Profit and Loss Account.
 - iv). **Forward Exchange Contracts**
The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions.

The use of such foreign currency forward contracts is governed by the Company's policies approved by the management, which provide principles on use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instrument for speculative purposes.

In respect of transactions covered by forward exchange contracts, the difference between the year end rate and the exchange rate at the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contracts.

j) INVESTMENTS

- a) Long-term Investments are stated at cost. Provision for diminution in the value of long-term Investments is made only if such a decline is other than temporary in the opinion of the management.
- b) Current investment are carried at the lower of cost and quoted/fair value, computed category wise.
- c) Investments in shares of foreign subsidiaries are expressed in Indian Currency at the rates of exchange prevailing at the time when the investment was made.

k) RETIREMENT BENEFITS

Gratuity with respect to defined benefit schemes are accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

Provision is made for leave encashment based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Fund are determined under the relevant schemes and/or statute, charged to the Profit & Loss Account when incurred.

l) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

m) SEGMENT ACCOUNTING

Based on guiding principles given in Accounting Standard on "Segment Reporting"- AS 17, single financial report contains both Consolidated financial statement and the Standalone financial statements of the Company. Hence, the required segment information appended in the Consolidated financial statements.

n) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party Disclosures" has been set out in a separate note forming part of this Schedule. Related parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

o) **LEASES**

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godowns, etc.) and land. The aggregate lease rental payable are charged as rent including lease rentals.

p) **EARNING PER SHARE**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

q) **TAXES ON INCOME**

i). **DEFERRED TAXATION**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

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

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

ii). **CURRENT TAXATION**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

iii). **FRINGE BENEFIT TAX**

Provision for Fringe Benefit Tax has been recognized on the basis of a harmonious, contextual interpretation of the provisions of the Income Tax Act, 1961.

r) **IMPAIRMENT OF FIXED ASSETS**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the profit and loss account.

s) **PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

t) **FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTION**

In respect of derivative contracts, premium paid, gains / losses on settlements and provision for losses for cash flow hedges are recognised in Profit and Loss Account.

u) **ACCOUNTING OF CLAIMS**

- i). Claims received are accounted at the time of lodgment depending on the certainty of receipt and claims payable are accounted at the time of acceptance.
- ii). Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any, are made in the year in which disputes are finally settled.

v) **PROPOSED DIVIDEND**

Dividend proposed by the Directors is provided for in the books of account pending approval by the members at the Annual General Meeting.

w) **DOUBTFUL DEBTS/ADVANCES**

Provision is made in the accounts for Debts/Advances which in the opinion of the management are considered doubtful of recovery.

(B) NOTES ON ACCOUNTS:-

1. The Company is a Partner in a Partnership firm namely M/s. Adani Exports. Information in respect of Partnership Firms in which the company is a partner :

Name of Partners	Capital (as on 31/03/2008)	Share of Profit (%)
Adani Enterprises Ltd.	252,85,17,612	99
	73,04,02,541	99
Adani Agro Private Ltd.	2,70,52,674	01
	73,20,783	01
Total	255,55,70,286	100
	73,77,23,324	100

2. Buildings includes cost of shares in Co-operative Housing Society Rs. 3,500/- (Previous year Rs. 3,500/-).
3. Office premises of Rs. 3.75 crores, includes Rs. 2.32 crores of unquoted Shares (160 equity shares of A type and 1,280 equity shares of B type of Rs. 100 each fully paid-up) in Ruparelia Theatres P. Ltd. By virtue of Investment in shares, the Company is enjoying rights in the leasehold land and Rs. 1.44 crores, towards construction contribution and exclusive use of terrace and allotted parking space.
4. **Capital work - in - progress includes:-**
- a) Building worth Rs. 0.65 crores (Previous Year Rs. 0.65 crores) which is in dispute and the matter is sub-judice.
- b) Agricultural Land worth Rs 0.45 crores (Previous Year Rs 0.45 crores) recovered under settlement of debts, in which certain formalities are yet to be executed.
5. The Company has ventured into Oil and Gas exploration business jointly with others, whereby two exploration blocks - at Palej and Assam, have been awarded by Government of India through NELP-VI bidding round. All cost on acquisition, exploration and development incurred by the Company according to the participating interest (35%) are accounted under capital work in progress, as the extraction phase has not commenced.
6. For the Current Year on review as required by the Accounting Standard 28, Impairment of Fixed Assets, the management is of the opinion that no impairment or reversal of loss is required.
7. a) Credit & Debit balances under a particular category are netted off, while certain mutually discharging related debit & credit balances have also been netted off, and
- b) Buyers' credit/suppliers' credit has been netted off against margin money for effective presentation.

STANDALONE FINANCIAL STATEMENTS



8. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary.

9. **Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure**

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2008.

i. For Hedging Currency :

(Rs in Crores)

Sr No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
1	Options (net)	96.93	1,654.03
2	Forward Contracts (net)	541.03	1,069.15
	Total	637.96	2,723.18

ii. For Hedging Commodity Related Risks:

(Rs in Crores)

Particulars	As at 31st March, 2008	As at 31st March, 2007
Commodity Futures (net)	66.26	9.29

b) In accordance with principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Schedule VI of the Companies Act, 1956 the Company has charged an amount of Rs.1.96 crores to profit and loss account in respect of derivative contracts outstanding as on 31st March, 2008.

c) Foreign currency exposures not covered by derivative instruments or otherwise as at 31st March, 2008 amounting to Rs.2, 318.03 crores. (Previous Year Rs.3,638.51 crores).

Particulars	Amount In Foreign Currency (In Crore)	Currency	Amount in Rs. (In crore)
Supplier Credit	7.897	USD	315.66
	5.317	USD	231.13
Sundry Creditors	0.002	EUR	0.10
	0.002	EUR	0.11
	0.001	GBP	0.01
	0.000	GBP	0.02
	-	HKD	-
	0.000	HKD	0.00
	0.001	SGD	0.00
	0.001	SGD	0.02
	6.312	USD	252.29
	5.615	USD	244.10

Particulars	Amount In Foreign Currency (In Crore)	Currency	Amount in Rs. (In crore)
Packing Credit Forward Contracts	-	USD	-
	1.097	USD	47.67
Foreign Currency Convertible Bonds	25.000	USD	999.25
	25.000	USD	1106.28
Other Payable	0.485	USD	19.39
	0.257	USD	11.15
	0.001	CHF	0.05
	-	CHF	-
Sundry Debtors	0.016	EUR	1.04
	0.012	EUR	0.72
	-	GBP	-
	0.005	GBP	0.42
	2.154	USD	86.09
	22.578	USD	981.47
Time Deposits	16.000	USD	639.52
	22.311	USD	991.63
Other Receivable	0.116	USD	4.63
	0.539	USD	23.79

10. Receivable includes:-

- Amount due from Subsidiary Companies of Rs. 526.26 crores (Previous Year Rs. 348.41 crores).
- Amount due from Companies of Rs. 34.34 crores (Previous Year Rs. 8.39 crores) in which some of the Directors of the Company are interested.
- Amount due from a firm of Rs. 545.68 crores (Previous Year Rs. 898.67 crores) in which the Company is a partner.

11. Loans & Advances includes :-

- Amount due from subsidiary Companies of Rs.1,071.94 crores (Previous Year Rs. 1,069.57 crores).
- Amount due from Companies Rs Nil (Previous Year Rs. 23.60 crores) in which some of the Directors of the Company are interested.
- Share application money pending allotment of Rs. Rs.119.67 crores (Previous Year Rs. 43.74 crores) in which some of the Directors of the Company are interested.

(Rs. In Crores)

Sr.No.	Particulars	2007-08	2006-07
1	Adani Agri Fresh Ltd.	56.96	2.00
2	Adani Power Ltd.	36.06	20.00
3	Adani Welspun Exploaration Ltd.	7.77	-
4	Adani Wilmar Ltd.	18.88	-
5	Adani Global Ltd	-	21.74
	TOTAL	119.67	43.74

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- d) Rs.45.45 crores (Previous Year Rs. 108.95 crores) paid as advance against Capital Asset.
12. During the year the Company has received DFCE licenses worth Rs.211.61 crores for import of materials without paying duties against provision of Rs.184.63 crores in past years. The licenses are issued with various conditions stipulated therein and the management is unable to ascertain the actual utilisation, hence the differential income has not been recognised in the current financial year.
13. Looking to the history and uncertainty attached to "Target Plus Scheme -2004-05", benefit under the scheme, will be accounted when certainty exists.
14. During the year, the company has invested Rs 687.02 crores (Previous year 388.43 crores) in shares of the following Group Companies.

(Rs. In Crores)

Name of Company	Type	No of Shares	Total Investment	% of Holding As on 31 st March 2008
Adani Agrifresh Ltd	Equity	Nil (1,40,50,000)	Nil (14.05)	(100%) (100%)
Adani Global Ltd.	Preference	10,22,385 (Nil)	407.89 (Nil)	(100%) (100%)
Adani Agri Logistics Ltd	Equity	Nil (9,98,28,000)	38.81* (51.44)	100% (100%)
Adani Wilmar Ltd	Equity	Nil (2,48,59,100)	Nil (62.15)	50% (50%)
Advantage Retail Pvt Ltd	Equity	Nil (4,900)	Nil (0.00)	Nil (49%)
Adani Infrastructure & Developers Pvt Ltd	Equity	Nil (50,000)	Nil (0.05)	100% (100%)
Adani Power Ltd	Equity	23,93,10,000 (26,06,90,000)	239.31 (260.69)	90.57% (100%)
Vyom Tradelink Pvt Ltd	Equity	Nil (50,000)	Nil (0.05)	100% (100%)
Adani Habitats Pvt Ltd	Equity	50,000 (Nil)	0.05 (Nil)	100% (Nil)
Adani Welspun Exploration Ltd	Equity	5,50,000 (Nil)	0.55 (Nil)	100% (Nil)
Miraj Impex Pvt Ltd	Equity	50,000 (Nil)	0.05 (Nil)	100% (Nil)
Adani Mining Pvt Ltd	Equity	50,000 (Nil)	0.05 (Nil)	100% (Nil)
Parsa Kente Collieries Ltd	Equity	3,70,000** (Nil)	0.37** (Nil)	74% (Nil)
Total			687.02 (388.43)	

* Includes payment made towards unpaid calls.

** Net of 130,000 shares amounting to Rs. 0.13 Crores transferred to Rajasthan Rajya Vidhyut Utpadan Nigam Limited without any consideration in cash as per the terms of Joint Venture agreement.

15. The Company has initiated legal proceedings against various parties for recovery of dues and such legal proceedings are at different stages as at the date of the Balance Sheet and are expected to materialise in recovering the dues in the future. Management is hopeful of their recovery. In the opinion of the Management adequate balance is lying in General Reserve to meet the eventuality of this account being irrecoverable.
16. a) Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company as advised by the Company's tax consultants.
- b) Various taxes related legal proceedings are pending against the Company. Potential liabilities, if any, have been adequately provided for, and the management does not estimate any incremental liability in respect of the legal proceedings.

17. Contingent liabilities not provided for :

PARTICULARS		(Rs. in Crores)	
		AS AT 31-03-2008	AS AT 31-03-2007
a)	Claims against the Company not acknowledged as Debts	38.99	30.35
b)	In respect of Corporate Guarantee given:-		
	I To Companies under the same Management	94.29	92.46
	II For obligations to other parties	119.91	206.35
c)	Bills of Exchange Discounted	1,042.94	589.90
d)	Demand against the Company not admitted as debts regarding sales tax against which appeals are pending	2.16	10.38
e)	In respect of Bank Guarantees given to Government agencies	7.48	5.11
f)	In respect of partly paid shares.	-	0.02
g)	Export obligation of Rs . 6.04 (Previous Year Rs. 6.62) is pending which is equivalent to 8 times of duty saved Rs. 0.76 (Previous Year Rs. 0.83)		
h)	Certain claims / show cause notices disputed have neither been considered as contingent liabilities nor acknowledged as claims , based internal evaluation of the management.		
i)	Show cause notice in terms of value of export goods under section14 of the Customs Act, 1962 read with section 11 of FTDR Act, 1992 and rule 11 & 14 of FT(Regulation) Rule, 1993 in which liability is unascertainable.		

18. Capital Commitments:-

PARTICULARS	(Rs. in Crores)	
	AS AT 31-03-2008	AS AT 31-03-2007
Estimated amounts of contracts remaining to be executed and not provided for (Net of Advances)	64.50	61.76

19. There are no delays in payments to Micro and small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act,2006.

The above information and that given in Schedule 11 "Current Liabilities" regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

20. No amounts are due for deposits as at the Balance Sheet date to the Investors' Education and Protection Fund.

21. Currency Swap Losses of Rs 6.04 crores (Previous Year gain Rs 0.77 crores) has been charged/ netted off against interest expenses on term loans.

22. Items of Expenditure in the Profit and Loss Account include reimbursements for common sharing facilities to and by the Company.

23. Disclosure as required by the Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below :

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Disclosure as required by the Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below :

Where the Company is lessee:

- (i) The aggregate lease rentals payable are charged to the Profit and Loss Account as Rent in Schedule 17.
- (ii) The Leasing arrangements, which are cancelable at any time on month to month basis and in some cases between 11 months to 5 years, are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- (iii) The Leasing arrangements, which are non-cancelable with Governor of Karnataka represented by the Director of Ports & Inland Water Transport, Karnataka, for use of port land. Disclosure in respect of the same arrangements:

(Rs. in Crores)

Particulars	2007-08	2006-07
Total of future minimum lease payments under non cancelable operating lease for each of the following periods	-	
Not later than one year	0.18	0.20
Later than one year and not later than five years	1.23	1.12
Later than five years	16.63	16.92
Lease payment recognised in Profit and Loss Accounts	0.20	-

24. As per the Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, the Company has presented consolidated financial statements separately.

25. **Payments to Auditors (including service tax): -**

(Rs. in Crores)

Particulars	2007-08	2006-07
I Audit fee	0.15	0.12
ii Tax Audit fee	0.03	0.03
iii Other Matters	0.01	0.04
Iv Reimbursement of Expenses	0.05	0.02
Total	0.24	0.21

26. **Prior period adjustments include :**

(Rs. in Crores)

Particulars	2007-08	2006-07
Debits relating to earlier years	2.19	1.77
Credits relating to earlier years	(0.53)	(1.11)
Net Total	1.66	0.66

27. **Computation of Net Profit under Section 349 of the Companies Act, 1956**

		(Rs.in Crores)	
PARTICULARS		2007-08	2006-07
A. Profit Before Taxation		352.51	198.31
ADD:	Depreciation as per accounts	11.25	6.90
	Directors Remuneration	5.66	2.45
	Directors Commission	14.04	8.37
	Loss on sale of investments/assets	3.87	0.15
		387.33	216.18
LESS:	Depreciation as per Sec. 350 of the Companies Act, 1956	11.25	6.90
	Profit on sale of investments/assets	25.14	0.01
	Profit for the purpose of Directors Commission	350.94	209.27
	Chairman @ 2% on Rs.350.94 Crores	7.02	4.19
	(Previous Year @ 2% on Rs. 209.27 Crores)		
	Managing Director @ 2% on Rs.350.94 Crores	7.02	4.19
	(Previous Year @ 2% on Rs. 209.27 Crores)		
		14.04	8.37
B. Managerial remuneration to Chairman, Managing & Whole-time Directors under Section 198 of the Companies Act, 1956			
	i) Salaries	5.32	2.19
	ii) Contributions to provident and other funds	0.34	0.26
	iii) Commission	14.04	8.37
		19.70	10.82

28. The Company has adopted Accounting Standard 15 "Employee Benefits" (Revised 2005) issued by the Institute of Chartered Accountants of India with effect from April, 2007. Consequent upon its adoption, in accordance with the transitional provisions contained in the Accounting Standard, the net difference of Rs.1.29 crores (after adjustment for deferred tax of Rs.0.66 crores) between the liability in respect of gratuity and other employee benefits existing on the date of adoption and the liability that would have been recognised at the same date under the previous Accounting Standard has been adjusted against the opening balance of General Reserve.

Disclosure as per AS-15 (Revised) 'Employee Benefit for the year ended 31st March, 2008:

a) Contributions to Defined Contribution Plan, recognized as expense for the year are as under:

		(Rs. in Crore)
Particulars		Amount
	Employer's Contribution to Provident Fund	1.52
	Employer's Contribution to Superannuation Fund	0.79
	Employer's Contribution to Pension Fund	0.35

b) Contributions to Defined Benefit Plans are as under:

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(i) Gratuity	(Rs. in Crore)
Particulars	Amount
Change In the defined benefit obligation	
Defined benefit obligation as at 1st April, 2007	3.28
Service cost	0.99
Interest cost	0.27
Actuarial loss/(gain)	0.36
Benefits paid	(0.23)
Defined benefit obligation as at 31st March, 2008	4.67
Change in plan assets	
Fair value of plan assets as at 1st April, 2007	1.32
Expected return on plan assets	0.14
Contributions by employer	0.55
Actuarial loss/(gain)	(0.02)
Benefits paid	(0.23)
Fair value of plan assets as at 31st March, 2008	1.76
Present value of unfunded obligations	2.91
The Net amount recognized in the statement of Profit & Loss for year ended 31st March, 2008 is as follows	
Current Service cost	0.99
Interest cost	0.28
Expected return on plan assets	(0.14)
Net actuarial loss/(gain) recognized	0.38
Net amount recognized	1.51
Actual return on Plan Assets	1.76
The major categories of plan assets as a percentage of total plan assets as at 31st March, 2008 are as follows:	
Government of India Securities	-
Insurer Managed Funds	-
Policy of Insurance	100%
The principal actuarial assumption used as at 31st March, 2008 are as follows:	
Discount Rate	8.33%
Expected rate of return on Plan Assets	9.25%
Rate of increase in Compensation Levels (Refer Note below)	6.00%
(ii) Leave Encashment	
Change In the defined benefit obligation	
Defined benefit obligation as at 1st April, 2007	2.71
Service cost	0.84
Interest cost	0.23
Actuarial loss/(gain)	1.29
Benefits paid	(0.28)
Defined benefit obligation as at 31st March, 2008	4.79
The Net amount recognized in the statement of Profit & Loss for year ended 31st March, 2008 is as follows	
Current Service cost	0.84
Interest cost	0.23
Expected return on plan assets	-
Net actuarial loss/(gain) recognized	1.29
Net amount recognized	2.36
The principal actuarial assumption used as at 31st March, 2008 are as follows:	
Discount Rate	8.33%
Expected rate of return on Plan Assets	-
Rate of increase in Compensation Levels (Refer Note below)	6.00%
Note: The estimate of future salary increase, considered in actuarial variation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	

29. As per the Accounting Standard 18, disclosure of transactions with related parties (As identified by the Management), as defined in Accounting Standard are given below:

i)	Name of related parties & description of relationship
1.	Controlling Companies -
2.	Subsidiary Companies / Firms <ol style="list-style-type: none"> 1) Adani Global Ltd. 2) Adani Global FZE 3) Adani Global Pte. Ltd. 4) PT Adani Global 5) Adani Agri Fresh Ltd. 6) Adani Agri Logistics Ltd. 7) Adani Power Ltd. 8) Adani Power Maharashtra Ltd. 9) Adani Power Rajasthan Ltd. 10) Adani Power Dahej Ltd. 11) Vyom Tradelink Pvt. Ltd. 12) Adani Virginia Inc 13) Bay Bridge Enterprise LLC 14) Adani Shipping Pte. Ltd. 15) Libra Shipping Pte. Ltd. 16) Adani Infrastructure and Developers Pvt. Ltd. 17) Adani Mundra SEZ Infrastructure Pvt. Ltd. 18) Adani Estates Pvt. Ltd. 19) Swayam Realtors and Traders Ltd. 20) Columbia Chrome Pvt. Ltd. 21) Adani Land Developers Pvt. Ltd. 22) Adani Developers Pvt. Ltd. 23) Adani Habitats Pvt. Ltd. 24) Adani Mining Pvt. Ltd. 25) Parsa Kente Collieries Ltd. 26) Miraj Impex Pvt. Ltd. 27) Adani Landscapes Pvt. Ltd. 28) M/s. ATRECO 29) Shantigram Estate Management Pvt. Ltd. 30) Adani Welspun Exploration Ltd. 31) Adani Energy Ltd. 32) M/s. Adani Exports

3. Associate Entities

- 1) Adani Petronet (Dahej) Port Pvt. Ltd.
- 2) Adani Wilmar Ltd.
- 3) Adani Port Infrastructure Pvt. Ltd.
- 4) Accurate Finstock Pvt. Ltd.
- 5) Adani Retail Ltd.
- 6) Mundra SEZ Textile and Apparel Park Pvt. Ltd.
- 7) Rajasthan SEZ Pvt. Ltd.
- 8) Mundra Port and Special Economic Zone Ltd.
- 9) Adani Logistics Ltd.
- 10) Adani Energy (UP) Ltd.
- 11) Inland Conware Pvt. Ltd.
- 12) Inland Conware (Ludhiana) Pvt. Ltd.
- 13) I Call India Ltd.
- 14) Komal Marketing Pvt. Ltd.
- 15) Aditya Corpex Pvt. Ltd.
- 16) Adani Shipyard Pvt. Ltd.
- 17) Komal Infotech Pvt. Ltd.
- 18) Gujarat State Exports Corporation Ltd.
- 19) Shantikrupa Estates Pvt. Ltd.
- 20) Shantikrupa Services Pvt. Ltd.
- 21) Adani Infrastructure Services Pvt. Ltd.
- 22) m to M Traders Pvt. Ltd.
- 23) Netvantage International Ltd.
- 24) M/s. Adani Textile Industries
- 25) M/s. Ezy Global
- 26) M/s. Adani Investments
- 27) M/s. Advance Exports
- 28) M/s. Advance Investments
- 29) M/s. Intercontinental (India)
- 30) M/s. Crown International
- 31) M/s. Shanti Builders
- 32) Adani Agro Pvt. Ltd.
- 33) Gujarat Adani Infrastructure Pvt. Ltd.
- 34) B2B India Pvt. Ltd.
- 35) Adani Properties Pvt. Ltd.
- 36) I-Gate India Pvt. Ltd.
- 37) Dholera Infrastructure Pvt. Ltd.
- 38) Dholera Port and Special Economic Zone Ltd.
- 39) Aaloka Real Estate Pvt. Ltd.
- 40) Mundra Aviation Limited
- 41) Gujarat Adani Aviation Pvt. Ltd.
- 42) Mundra SEZ Utilities Pvt. Ltd.

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4.	Joint Control -Adani Wilmar Ltd.
5.	Key Management Personnel 1) Shri Gautam S. Adani - Chairman 2) Shri Rajesh S. Adani - MD 3) Shri Pradeep Mittal - WTD
6.	Relatives of Key Management Personnel with whom transactions done during the year 1) Smt. Priti G. Adani 2) Shri Mahasukh S. Adani 3) Smt. Suvama M. Adani 4) Shri Vinod S. Adani 5) Shri Vasant S. Adani 6) Smt. Lata Mittal

ii) Nature And Volume of Transaction with Related Parties

(Rs.in Crores)

	Particulars	Subsidiary Company	Associate Entities	Jt Control Company	Key Mgmt Personnels	Relatives of Key Management Personnel
1	Sales (Net of Return)	3,282.30	31.25	94.72	-	-
		1,497.32	45.80	28.30	-	-
2	Purchase (Net of Return)	519.21	327.79	38.26	-	-
		465.58	468.08	4.02	-	-
3	Sale of Investment	-	0.04	-	-	-
		0.01	32.70	-	-	-
4	Sale of Fixed Asset	-	0.32	-	-	-
		0.03	-	-	-	-
5	Purchase of Fixed Asset	-	-	-	-	-
		-	0.70	-	-	-
6	Purchase of Investments	0.60	-	-	0.00	0.00
		0.02	95.99	-	0.00	-
7	Interest – received / (paid)	116.87	-	-	-	-
		55.96	0.16	-	-	-
8	Dividend received	0.38	-	-	-	-
		0.46	-	-	-	-
9	Funds given [includes investment in Preference shares/equity participation/ business arrangement]	2,411.42	164.73	18.88	-	-
		2,149.69	1,067.31	17.05	0.08	3.38
10	Funds received [including redemption of Preference share/business arrangement]	1,703.69	76.08	-	-	-
		673.41	1,334.82	7.56	0.12	-
11	Service rendered	2.34	10.96	0.11	-	-
		4.41	7.19	0.24	-	-
12	Service availed	16.78	181.58	0.03	-	-
		0.07	197.31	0.03	-	4.36
13	Profit/(Loss) Sharing / Business Arrangement	228.39	-	-	-	-
		129.39	(1.28)	-	-	-
14	Rent paid	-	0.01	0.09	-	0.03
		-	0.42	0.06	-	0.03
15	Rent received	0.00	0.02	0.13	-	-
		-	0.01	0.03	-	-
16	Remuneration	-	-	-	19.70*	-
		-	-	-	11.78*	-
17	Guarantee & Collateral securities (Outstanding facility as on 31-03-2007)	119.91	-	94.29	-	-
		205.44	0.91	92.46	-	-
18	Balance Outstanding (Due From)					
	31 st March 2008 (Due From)	2,469.34	112.19	47.88	-	-
	31 st March 2008 (Due To)	119.76	-	26.75	-	0.08
	31 st March 2007 (Due From)	2,403.73	104.99	5.40	0.00	-
	31 st March 2007 (Due To)	11.48	152.69	-	-	0.08

*The above does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

Disclosure in Respect of Material Related Party Transactions during the year :

1. Sales (Net of Return) to M/s. Adani Exports Rs. 2,164.45 crore (Previous Year Rs. 914.35 crore); Adani Global FZE Rs. 466.31 crore (Previous Year Rs. 4.38 crore); Adani Global Pte Ltd. Rs. 623.76 crore (Previous Year Rs. 578.09 crore); Mundra Port & Special Economic Zone Ltd. Rs. 31.25 crore (Previous Year Rs. 3.21 crore); Aditya Corpex Pvt. Ltd. Rs. Nil (Previous Year Rs. 17.94 crore); M/s. Intercontinental (India) Rs. Nil (Previous Year Rs. 7.01 crore); Adani Agro Pvt. Ltd. Rs. Nil (Previous Year Rs. 17.65 crore).
2. Purchase (Net of Return) from Adani Global FZE Rs. 15.36 crore (Previous Year Rs. 59.58 crore); Adani Global Pte Ltd. Rs. 503.78 crore (Previous Year Rs. 406.00 crore); Aditya Corpex Pvt. Ltd. Rs. 123.90 crore (Previous Year Rs. 298.13 crore); Gujarat State Exports Corporation Ltd. Rs. 202.80 crore (Previous Year Rs. 96.40 crore); Komal Marketing Pvt. Ltd. Rs. Nil (Previous Year Rs. 47.19 crore).
3. Sale of Investment to Adani Infrastructure and Developers Pvt. Ltd. Rs. Nil (Previous Year Rs. 0.01 crore); Adani Agro Pvt. Ltd. Rs. 0.03 crore (Previous Year Rs. Nil); Mundra Port & Special Economic Zone Ltd. Rs. 0.00 crore (Previous Year Rs. 32.70 crore).
4. Sale of Fixed Asset to M/s Adani Exports Rs. Nil (Previous Year Rs. 0.03 crore); Mundra Port & Special Economic Zone Ltd. Rs. 0.32 crore (Previous Year Rs. Nil).
5. Purchase of Fixed Asset from Adani Retail Ltd. Rs. Nil (Previous Year 0.70 crore).
6. Purchase of Investments from Adani Habitats Pvt. Ltd. Rs. 0.54 crore (Previous Year Rs. Nil); Adani Estates Pvt. Ltd. Rs. Nil (Previous year 0.01 crore) ; Adani Developers Pvt. Ltd. Rs. Nil (Previous Year 0.01 crore)
7. Interest – received / (paid) from Adani Infrastructure and Developers Pvt. Ltd. Rs. 116.52 crore (Previous Year Rs. 29.66 crore); Adani Estate Pvt. Ltd. Rs. Nil (Previous Year Rs. 10.41 crore); Adani Developers Pvt. Ltd. Rs. Nil (Previous Year Rs. 15.88 crore); Adani Retail Ltd. Rs. Nil (Previous Year Rs. 0.16 crore).
8. Dividend received from Adani Global Ltd. Rs. 0.38 crore (Previous Year Rs. 0.46 crore).
9. Funds given [includes investment in Preference shares/equity participation/ business arrangement] to Adani Global Ltd. Rs. 412.57 crore (Previous Year Rs. 22.15 crore); Adani Infrastructure and Developers Pvt. Ltd. Rs. 1,266.02 crore (Previous Year Rs. 1,098.93 crore); Adani Power Ltd. Rs. 255.37 crore (Previous Year Rs. 280.69 crore); Adani Estates Pvt. Ltd. Rs. Nil (Previous Year Rs. 258.59 crore); Adani Developers Pvt. Ltd. Rs. Nil (Previous Year Rs. 350.63 crore); Aditya Corpex Pvt. Ltd. Rs. 113.64 crore (Previous Year Rs. 378.42 crore); Adani Port Infrastructure Pvt. Ltd. Rs. 32.50 crore (Previous Year Rs. Nil); M/s. Intercontinental (India) Rs. 0.12 crore (Previous Year Rs. 413.91 crore); Adani Agro Pvt. Ltd. Rs. 2.25 crore (Previous Year Rs. 168.15 crore).

10. Funds received [including redemption of Preference share/business arrangement] from Adani Infrastructure and Developers Pvt. Ltd. Rs.1,445.71 crore (Previous Year Rs.30.15 crore); Adani Estates Pvt. Ltd. Rs. Nil (Previous Year Rs.289.54 crore); Adani Developers Pvt. Ltd. Rs. 1.74 crore (Previous Year Rs.348.89 crore); Aditya Corpex Pvt. Ltd. Rs. 9.84 crore (Previous Year Rs. 410.68 crore); Advantage Retail Pvt. Ltd. Rs.27.95 crore (Previous Year Rs. Nil); Adani Port Infrastructure Pvt. Ltd. Rs. 32.50 crore (Previous Year Rs. Nil); Adani Properties Pvt. Ltd. Rs.Nil (Previous Year Rs. 203.90 crore); M/s. Intercontinental (India) Rs. 0.12 crore (Previous Year Rs. 490.13 crore); Adani Agro Pvt. Ltd. Rs. 2.25 crore (Previous Year Rs. 165.44 crore).
 11. Service rendered to Adani Agri Fresh Ltd. Rs.0.48 crore (Previous Year Rs.0.00 crore); Adani Agri Logistics Ltd. Rs.0.31 crore (Previous Year Rs.Nil); Adani Power Ltd. Rs.1.26 crore (Previous Year Rs.1.92 crore); Adani Developers Pvt. Ltd. Rs. Nil (Previous Year Rs.1.74 crore); Mundra Port & Special Economic Zone Ltd. Rs. 10.54 crore (Previous Year Rs.7.05 crore).
 12. Service availed from Libra Shipping Pte. Ltd. Rs.16.78 crore (Previous Year Rs.Nil); Adani Developers Pvt.Ltd. Rs. Nil (Previous Year Rs.0.07 crore); Mundra Port & Special Economic Zone Ltd. Rs. 181.36 crore (Previous Year Rs.197.31 crore).
 13. Profit/(Loss) Sharing / Business Arrangement from M/s. Adani Exports Rs.177.28 crore (Previous Year Rs.71.78 crore); Adani Global Pte Ltd. Rs. 51.11 crore (Previous Year Rs.57.60 crore). M/s. Intercontinental (India) Rs. Nil (Previous Year Loss Rs. 1.28 crore).
 14. Rent paid to Mundra Port & Special Economic Zone Ltd. Rs. 0.01 crore (Previous Year Rs.Nil); Adani Properties Pvt. Ltd. Rs.Nil (Previous Year Rs. 0.42 crore).
 15. Rent received from Adani Mining Pvt.Ltd. Rs.0.00 (Previous Year Rs.Nil); Mundra Port & Special Economic Zone Ltd. Rs. 0.02 crore (Previous Year Rs.0.01 crore).
 16. Remuneration to Mr. Gautam S Adani Rs.8.09 crore (Previous Year Rs.5.20 crore); Mr.Rajesh S Adani Rs.8.68 crore (Previous Year Rs.5.77 crore); Mr. Pradeep Mittal Rs.2.93 crore (Previous Year Rs.0.81 crore).
 17. Guarantee & Collateral securities to Adani Global Pte Ltd. Rs.39.97 crore (Previous Year Rs. 43.48 crore); Adani Global FZE Rs. 79.94 crore (Previous Year Rs. 86.96 crore); Adani Power Ltd.Rs. Nil (Previous Year Rs. 75.00 crore)
- iii) As required by the amendment to the clause 32 of the listing agreement vide SEBI circular no. 2 / 2003 of 10th January, 2003, the following disclosure have been made :
- (a) Loans and advances in the nature of loans to subsidiaries

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(Rs. in Crores)

Sr. No.	Name of Entity	Closing Balance As at 31-03-2008	Maximum amount Outstanding during the year
1	Adani Agri Fresh Ltd.	NIL	1.03
		1.03	1.03
2	Adani Infrastructure & Developers P. Ltd	895.05	1,527.72
		1,068.54	1,068.54
3	Adani Estates Pvt. Ltd.	NIL	NIL
		NIL	200.00
4	Adani Developers Pvt. Ltd.	NIL	NIL
		NIL	150.00
5	Adani Habitats Pvt.Ltd	147.35	150.15
		NIL	NIL
6	Adani Mining Pvt.Ltd	1.81	1.81
		NIL	NIL
7	Miraj Impex Pvt.Ltd.	10.58	10.58
		NIL	NIL
8	Parsa Kente Collieries Ltd.	0.34	0.34
		NIL	NIL
9	Vyom Tradelink Pvt. Ltd .	16.81	16.81
		NIL	NIL

(b) Loans and advances in the nature of loans to associates:

(Rs. in Crores)

Sr. No.	Name of Entity	Closing Balance As at 31-03-2008	Maximum amount Outstanding during the year
1	Adani Retail Ltd	NIL	27.28
		23.60	23.60
2	Advantage Retail Private Limited	NIL	27.28
		NIL	NIL

(c) Loans and Advances shown above, to subsidiaries fall under the category of Loans & Advances in nature of Loans where there is no repayment schedule and are repayable on demand.

All the above loans and advances are interest bearing except for an amount of Rs. 147.35 crore to Adani Habitats Pvt.Ltd, Rs. 1.81 crore to Adani Mining Pvt.Ltd., Rs. 10.58 crore to Miraj Impex Pvt.Ltd.

(d) Loans and advances in the nature of loans to firms / companies in which directors are interested :

STANDALONE FINANCIAL STATEMENTS

(Rs in Crores)

Sr. No.	Name of Entity	Closing Balance as at 31-03-2008	Maximum amount Outstanding during the year
1	Adani Agri Fresh Ltd.	NIL	1.03
		1.03	1.03
2	Adani Infrastructure & Developers P. Ltd	895.05	1,527.72
		1,068.54	1,068.54
3	Adani Estates Pvt. Ltd.	NIL	NIL
		NIL	200.00
4	Adani Habitats Pvt.Ltd	147.35	150.15
		NIL	NIL
5	Adani Mining Pvt.Ltd.	1.81	1.81
		NIL	NIL
6	Parsa Kente Collieries Ltd.	0.34	0.34
		NIL	NIL
7	Vyom Tradelink Pvt. Ltd.	16.81	16.81
		NIL	NIL
8	Adani Retail Ltd	NIL	27.28
		23.60	23.60

(e) Investments by the loanee in the shares of the Company as on 31st March, 2008: Nil (P.Y. Nil)

30. Earning Per Share

(Rs. in Crores)

Particulars	Year ended	Year ended
	31-03-2008	31-03-2007
Net Profit after tax available for Equity Shareholders	312.07	150.69
Number of shares used in computing Earning Per Share		
Basic	246,486,975	237,134,906
Diluted	261,763,530	237,134,906
Earning Per Share (Equity Shares, face value Re. 1/-)		
Basic (in Rs.)	12.66	6.35
Diluted (in Rs.)	11.92	6.35

Dilutive potential equity shares are those which are deemed for the purpose of the computation pertains to the expected conversion of Bonds/Debentures.

31. a) Deferred Tax

(Rs. in Crores)

Particulars	As At	As At
	31-03-2008	31-03-2007
Deferred Tax Liability on account of		
(i) Depreciation	19.18	18.89
Total	19.18	18.89
Deferred Tax Assets on Account of		
(i) Leave Encashment	-	0.92
(ii) Provision for Bad-debts	1.38	1.07
(iii) Gratuity	1.65	-
Total	3.03	1.99
Net Deferred Tax Liability	16.15	16.90

b) In accordance with the Accounting Standard 22, the deferred tax liability of Rs.0.09 crores (Previous year asset Rs. 10.18 crores) for the year has been recognised in the Profit & Loss Account.

32. Pursuant to Accounting Standard (AS 27) – Financial Reporting of Interests in Joint Venture, the disclosures relating to the Joint Venture are as follows :

Name	Country of Incorporation	Percentage of ownership interest as at 31 st March,2008	Percentage of ownership interest as at 31 st March,2007.
Adani Wilmar Ltd.	India	50.00%	50.00%

(Rs.in Crores)

Particulars		As at 31 st March,2008	As at 31 st March,2007
I	ASSETS		
1.	Fixed Assets (Including Capital Work In Progress)	278.23	267.20
2.	Investments	2.01	2.01
3.	Current Assets, Loans & Advances		
(a)	Inventories	785.54	310.87
(b)	Sundry Debtors	110.04	79.39
(c)	Cash & Bank Balances	163.18	107.95
(d)	Loans & Advances	36.33	37.86
II	LIABILITIES		
1.	Share Capital	131.94	131.94
2.	Share Application Money	37.76	-
3.	Reserve & Surplus	83.73	52.99
4.	Loan Funds		
(a)	Secured Loans	100.62	127.88
(b)	Unsecured Loans	23.32	-
5.	Deferred Tax Net	37.54	18.77
6.	Current liabilities and Provisions		
(a)	Current Liabilities	958.78	472.82
(b)	Provisions	1.65	0.88
	MISCELLANEOUS EXPENDITURE		-
		2007-08	2006-07
III	INCOME		
1.	Sales And Operating Earnings	3,392.57	2,641.34
2.	Other Income	0.36	0.40

Particulars		As at 31 st March,2008	As at 31 st March,2007
IV	EXPENSES		
1.	Operating Expenses	3,280.73	2,577.17
2.	Finance Expenses	40.27	41.38
3.	Miscellaneous Expenditure Written off	-	0.39
4.	Depreciation	15.34	15.38
	PROFIT FOR THE YEAR BEFORE PRIOR PERIOD ADJUSTMENTS	56.60	7.42
Add:	Prior Period Income / (Expenses)	(0.01)	(0.01)
	PROFIT FOR THE YEAR BEFORE TAXATION	56.58	7.41
Less:	Provision For Taxation	26.37	3.80
Add :	Excess Tax Provision of Earlier years	0.87	0.33
	PROFIT AFTER TAXATION	31.08	3.94
	Surplus brought forward from previous year	17.99	14.04

33. Quantitative information to the extent applicable for the year pursuant to the paragraph 3 & 4 of part II of Schedule VI to the Companies Act, 1956 (As certified by the management)

(A) "PRODUCTION QUANTITY"

SR. NO.	CLASS	UNITS	Actual Production	
			2007-2008	2006-2007
1	AGRO PRODUCTS	MT	298,579.940	215,254.468
2	PRECIOUS & OTHER METAL	KGS	50.012	7,824.670
3	MINERALS / OILS	CBM	-	459.419
4	TEXTILE PRODUCTS	KGS	-	18,973.000
	TEXTILE PRODUCTS	NOS	-	35,570.000
	TEXTILE PRODUCTS	MTR	-	17,342.500

(B) SALES AND STOCKS OF GOODS TRADED AND PROCESSED

(Rs. In Crore)

SR. NO.	CLASS	UNITS	OPENING STOCK		CLOSING STOCK		SALES	
			QTY	RUPEES	QTY	RUPEES	QTY	RUPEES
1	CHEMICAL / PLASTICS	MT	39,782.852	94.91	189.453	0.87	74,230.970	163.15
			8,924.031	36.85	39,782.852	94.91	169,780.205	585.64
2	AGRO PRODUCTS	MT	137,896.360	157.26	443,608.786	704.45	2,754,061.516	3,786.51
			54,602.290	76.19	137,896.360	157.26	1,489,714.921	1,813.07
3	PRECIOUS & OTHER METAL	KGS	68.052	6.28	-	-	23,399.737	2,191.65
			3,397.316	4.90	68.052	6.28	33,581.698	1,828.45
3	PRECIOUS & OTHER METAL	CTS	-	-	-	-	3,984,574.260	2,546.18
			8,913.440	3.84	-	-	3,918,534.080	3,300.22
4	MINERALS / OILS	MT	295,591.482	96.75	318,147.302	156.39	2,733,392.830	1,485.17

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(Rs. In Crore)

SR. NO.	CLASS	UNITS	OPENING STOCK		CLOSING STOCK		SALES	
			QTY	RUPEES	QTY	RUPEES	QTY	RUPEES
			506,657.730	166.34	295,591.482	96.75	3,295,848.041	1,114.84
	MINERALS / OILS	CBM	304.061	0.35	221.061	0.28	83.000	0.09
			406.003	0.50	304.061	0.35	822.890	2.46
	MINERALS / OILS	SFT	125,625.679	2.45	42,581.496	0.83	419,649.276	8.20
			6,487.020	0.14	125,625.679	2.45	127,875.881	3.22
5	POWER TRADING	KWH	-	-	-	-	1,393,155,500.00	771.56
			-	-	-	-	1,899,426,134.00	943.53
6	TEXTILE PRODUCTS	KGS	-	-	-	-	-	-
			224,662.700	15.23	-	-	2,963,701.300	45.89
	TEXTILE PRODUCTS	PCs	-	-	-	-	-	-
			80,829.000	1.53	-	-	131,999.000	2.85
	TEXTILE PRODUCTS	MTR	4,485.500	0.04	4,485.500	0.04	4,773,196.500	23.54
			736,713.330	6.92	4,485.500	0.04	5,812,082.770	33.71
7	FERTILIZERS	MT	4,562.469	5.71	4,114.150	5.15	50,675.660	58.12
			11,849.188	8.51	4,562.469	5.71	70,755.890	68.46
	GRAND TOTAL			363.75		868.02		11,034.15
					320.94		363.75	

(C) "PURCHASE OF TRADED GOODS"

(Rs. In Crores)

SR. NO.	CLASS	UNITS	2007-2008		2006-2007	
			QTY	AMOUNT	QTY.	AMOUNT
1	CHEMICAL / PLASTICS	MT	35,615.497	52.68	200,639.026	600.90
2	AGRO PRODUCTS	MT	3,082,367.011	3,635.25	1,370,479.171	1,542.67
3	PRECIOUS & OTHER METAL	KGS	23,281.725	2,181.11	22,427.764	1,074.88
		CTS	3,984,574.270	2,532.42	3,909,620.640	3,285.08
4	MINERALS / OILS	MT	2,773,068.261	1,339.11	3,107,487.264	945.54
	MINERALS / OILS	CBM	-	-	882.154	2.26
	MINERALS / OILS	SFT	353,184.093	5.18	247,018.540	4.00
5	POWER TRADING	KWH	1,393,155,500.000	765.01	1,899,426,134.000	934.32
6	TEXTILE PRODUCTS	KGS	-	-	2,719,778.600	25.72
	TEXTILE PRODUCTS	NOS	-	-	50,989.000	0.98
	TEXTILE PRODUCTS	MTR	4,773,196.500	22.63	4,957,248.090	23.76
7	FERTILIZERS	MT	50,658.160	54.43	63,969.171	53.97
	TOTAL			10,587.82		8,494.08

(D) RAW MATERIAL CONVERTED

(Rs. In Crores)

SR. NO.	CLASS	UNITS	2007-2008		2006-2007	
			QTY	AMOUNT	QTY.	AMOUNT
1	PRECIOUS METAL	KGS	50.013	6.00	7,830.128	729.11
2	TEXTILES	KGS	-	-	19,260.000	0.13
		PCs	-	-	152.000	0.00
		MTR	-	-	126,743.830	0.73
3	AGRO PRODUCTS	MT	296,640.289	542.93	215,971.602	295.02
4	MINERALS / OILS	CBM	-	-	-	0.56
	TOTAL			548.93		1,025.57

(E) IMPORTED & INDIGENOUS CONSUMPTION

(Rs. In Crores)

PARTICULARS	2007-2008		2006-2007	
	AMOUNT	%	AMOUNT	%
RAW MATERIALS – IMPORT	6.00	1.09	728.99	71.08
–INDIGENOUS	542.93	98.91	296.58	28.92
TOTAL	548.93	100.00	1,025.57	100.00

(F) VALUE OF IMPORTS ON CIF BASIS

(Rs. In Crores)

CLASS	2007-2008	2006-2007
Trade goods	4,503.73	3,713.13
TOTAL	4,503.73	3,713.13

(G) EXPENDITURE IN FOREIGN CURRENCY

(Rs. In Crores)

PARTICULARS	2007-2008	2006-2007
Travelling expenses (incl. payment from EEFC Account)	0.75	0.68
Other matter	1.26	0.41
Interest	179.68	105.80
Bank charges	1.07	0.28
Clearing & Forwarding	20.69	15.55
Brokerage & Commission	1.94	1.23
Professional Fees	0.37	4.11
TOTAL	205.76	128.05

(H) EARNING IN FOREIGN CURRENCY

(Rs. In Crores)

PARTICULARS	2007-2008	2006-2007
Export of Goods on F.O.B. Basis	5,857.98	3,545.82
Interest Income	39.75	12.80
Dividend Income	0.38	0.46
Other Income	52.65	62.72
TOTAL	5,950.76	3,621.80

Note: Licensed and installed capacity : Not applicable (previous year: Not applicable)

34. The Ministry of Corporate Affairs, Government of India vide its Order No.47/189/2008/-CL–III dated 16th April,2008 and 4th May,2008 has granted approval that the requirement to attach various documents in respect of Subsidiary Companies, as set out in sub-section (1) of Section 212 of the Companies Act,1956, shall not apply to the Company. As per the Order, financial Information of each Subsidiary company is attached.
35. Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

STANDALONE FINANCIAL STATEMENTS



36. Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956. Balance Sheet Abstract and Company's General Business Profile:-

I.	Registration Details:		
	Registration No.	:	L51100GJ1993PLC19067
	State Code	:	04
	Balance Sheet Date	:	31-03-2008
II.	Capital Raised during the year (Amount in Rs. Thousands)		
	Public Issue - NIL		Right Issue - NIL
	Bonus Issue - NIL		Private Placement - NIL
III.	Position of Mobilisation and Deployment of Funds(Amount in Rs. Thousands)		
	Total Liabilities	:	66953634
	Total Assets	:	66953634
	Sources of Funds:		
	Paid –up Capital	:	246487
	Reserves & Surplus	:	13129956
	Secured Loans	:	2173846
	Unsecured Loans	:	28451403
	Deferred Tax Liability	:	161527
	Application of Funds:		
	Net Fixed Assets	:	2190965
	Investments	:	14947684
	Net Current Assets	:	27024570
	Miscellaneous Expenditure	:	-----
	Accumulated Losses	:	-----
IV.	Performance of Company (Amount in Rs. Thousands)		
	Turnover (Including other Income)	:	116245925
	Total expenditure	:	112720700
	Profit/(Loss) before tax	:	3525225
	Profit/(Loss) after tax	:	3120811
	Earning per share (Rs.)	:	12.66
	Dividend Rate %	:	60%
V	Generic Names of Three Principal products/services of Company (as per monetary terms)		
	Item Code No. (ITC Code)		Not Ascertainable
	Product Description		Merchant Exporters
	Item Code No. (ITC Code)		Not Ascertainable
	Product Description		Merchant Exporters
	Item Code No. (ITC Code)		Not Ascertainable
	Product Description		Merchant Exporters

Signature to Schedule " 1 " to " 19 "

For and on behalf of the Board

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th May,2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director



STANDALONE FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2008

(RS. IN CRORES)

Particulars		2007-2008		2006-2007	
A	CASH FLOW FROM OPERATIONS				
	Net Profit before tax & extraordinary items		352.51		198.31
	Adjustment for:				
	Depreciation	11.25		6.90	
	Interest / Dividend from investments	(0.99)		(0.60)	
	Unrealised Exchange Rate Difference	(107.47)		4.10	
	Loss on sale of investment	3.72		-	
	Income From Mutual Fund/profit on sale of Investment	(8.07)		(0.83)	
	Loss/(Profit) on sale of fixed assets (Net)	(0.11)		0.13	
	Provision / Write off for doubtful debts, loans & advances	17.27		5.00	
	Interest Expense	369.72		350.71	
	Interest Income	(249.35)		(171.79)	
	Exceptional Items (Net)	(20.70)		-	
			15.27		193.62
	Operating Profit before working capital changes		367.78		391.93
	Adjustment for:				
	Trade & other receivables	405.69		585.36	
	Inventories	(516.11)		(10.43)	
	Loans & Advances	40.69		(1064.91)	
	Trade Payables	466.04		(201.16)	
			396.32		(691.14)
	Cash generated from operations		764.10		(299.21)
	Direct tax (paid) / refund		(44.85)		(40.92)
	Net cash from operating activities		719.25		(340.13)
B	Cash Flow from Investing Activities				
	Additions to fixed assets (Incl. CWIP)	(26.16)		(137.12)	
	Sale of fixed assets	3.90		0.24	
	Proceeds from Redemption of Investments	2.89		2.89	
	Sale of Investments	141.60		32.71	
	Purchase of Investments	(1007.29)		(461.49)	
	Income From Liquid / Mutual Fund	3.89		0.83	
	Interest / Dividend from investments	0.99		0.60	
	Interest received	233.26		200.19	
	Net cash used in Investing Activities		(646.92)		(361.15)
C	Cash Flow from Financing Activities				
	Proceeds/(repayment) from working capital borrowings (net)	(140.81)		60.02	
	Proceeds/(repayment) from long term borrowings (net)	(528.89)		1061.13	
	Proceeds/(repayment) from short term borrowings (net)	707.68		715.95	
	Interest Paid	(367.92)		(364.01)	
	Dividend paid	(0.68)		(20.78)	
			(330.63)		1452.31
	Net Increase/(Decrease) in cash & cash equivalents		(258.30)		751.03
	Cash & cash equivalent at the beginning of the year		1362.88		611.85
	Cash & cash equivalent as at 31/03/2008		1104.58		1362.88

Note: Cash and Cash equivalents includes Short Term Investments of Rs.15 Crores (Previous Year Rs. 5 crores) and Rs.316.48 crores (Previous Year Rs. 222.61 Crores), which are not available for use by the Company (refer schedule 9 to accounts)

As per out attached report of even date.

For and on behalf of the Board

For **DHARMESH PARIKH & CO.,**
Chartered Accountants

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

D.A. PARIKH
Partner

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	Adani Virginia LLC (In US\$)	Adani Global Ltd. (In US\$)	Adani Global FZE (In AED)	Adani Global Pte. Ltd. (In US\$)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	* 100%	100%	# 100%	# 100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company				
a) Dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	5,94,431	84,896	1,60,65,164	31,00,404
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	10,19,874	2,83,404	7,18,08,812	35,57,371
b) Not dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	NIL	NIL	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	NIL	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956 from				
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A	N.A

* By Adani Global FZE
By Adani Global Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	PT Adani Global (In Rupiah) ('000)	Adani Shipping Pte. Ltd. (In US\$)	Libra Shipping Pte. Ltd. (In US\$)	Adani Agri Fresh Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	* 100 %	# 100%	# 100%	100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company				
a) Dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	14,56,358	21,672	3,70,294	(17,56,02,208)
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	1,86,013	N.A	-	N.A
b) Not dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	NIL	NIL	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	NIL	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956				
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A	N.A

* 95% by Adani Global Pte. Ltd. and
5% by Adani Global Ltd.
By Adani Global Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	Adani Agri Logistic Ltd. (IN INR)	Adani Power Ltd. (IN INR)	Vyom Tradelink Pvt. Ltd. (IN INR)	Adani Infrastructure and Developers Pvt. Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	100%	90.57%	100%	100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company				
a) Dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	-	-	28,65,864	1,62,23,126
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	N.A	N.A	N.A	5,63,209
b) Not dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	NIL	N.A.	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	N.A.	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956.				
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A	N.A

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	Adani Estates Pvt Ltd. (IN INR)	Swayam Realtors & Traders Ltd. (IN INR)	Columbia Crome (india) Pvt. Ltd. (IN INR)	Shantigram Estate Management Pvt. Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	@100%	☐ 60%	☐ 60%	@ 100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company				
a) Dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	3,74,006	(2,42,011)	13,517	(93,125)
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	16,96,099	(43,175)	4,03,895	(12,29,011)
b) Not dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	NIL	(1,61,340)	9,011	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	(28,783)	2,69,264	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956.				
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A	N.A

@ by Adani Infrastructure and Developers Pvt. Ltd.

☐ By Adani Estates Pvt. Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

Name of the Subsidiary Company	Adani Land Developers Pvt. Ltd. (IN INR)	Adani Developers Pvt. Ltd. (IN INR)	Adani Habitats Pvt. Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	@ 100%	@ 100%	100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company			
a) Dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	(6,66,480)	(7,56,624)	(35,894)
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	(28,119)	(16,26,199)	(48,086)
b) Not dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	NIL	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956.			
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A

@ by Adani Infrastructure and Developers Pvt. Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

Name of the Subsidiary Company	Adani Landscapes Pvt.Ltd. (IN INR)	Adani Mundra SEZ Infrastructure Pvt. Ltd.(IN INR)	Adani Energy Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	@ 100%	@ 100%	≠ 65%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company			
a) Dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	(40,552)	7,51,267	11,38,08,500
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	-	3,42,902	6,83,39,050
b) Not dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	NIL	NIL	6,12,81,500
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	NIL	3,67,97,950
4. Statement of changes under Section 212(5) of the Companies Act, 1956.			
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A

@ by Adani Infrastructure and Developers Pvt. Ltd.

≠ by Adani Habitats Pvt. Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

Name of the Subsidiary Company	Adani Power Dahej Ltd. (IN INR)	Adani Power Maharashtra Ltd. (IN INR)	Adani Power Rajasthan Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	** 100%	** 100%	** 100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company			
a) Dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	-	-	-
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	-	-	-
b) Not dealt with in the Company's Accounts			
i) for the financial year of the Subsidiary	NIL	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	NIL	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956.			
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A

** by Adani Power Ltd.

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

Name of the Subsidiary Company	Parsa Kente Collieries Ltd. (IN INR)	Adani Welspun Exploration Ltd. (IN INR)	Adani Mining Pvt. Ltd. (IN INR)	Miraj Impex Pvt. Ltd. (IN INR)
1. Financial year of the Subsidiary Companies ended on	31/03/2008	31/03/2008	31/03/2008	31/03/2008
2. Extent of interest in subsidiary Companies	74%	65%	100%	100%
3. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company				
a) Dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	NIL	NIL	NIL	NIL
ii) for the previous year of the subsidiary since it became the Subsidiary of the Company	NIL	NIL	NIL	NIL
b) Not dealt with in the Company's Accounts				
i) for the financial year of the Subsidiary	N.A.	N.A.	NIL	NIL
ii) for the previous year of the Subsidiary since it became the Subsidiary of the Company	N.A.	N.A.	NIL	NIL
4. Statement of changes under Section 212(5) of the Companies Act, 1956.				
1. Fixed Assets, Capitalised Assets & W.I.P.	N.A	N.A	N.A	N.A
2. Investments	N.A	N.A	N.A	N.A
3. Monies Lent	N.A	N.A	N.A	N.A
4. Monies Borrowed Term Loan for its ongoing project from the Financial Institutions/Banks	N.A	N.A	N.A	N.A

For and on behalf of the Board

DEVANG DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th MAY, 2008.

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ADANI ENTERPRISES LIMITED.

- 1) We have audited the attached consolidated Balance Sheet of Adani Enterprises Limited its subsidiaries and associates (the Adani Group) as at March 31, 2008 and the related consolidated Profit and Loss Account and consolidated cash flow statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statement and other financial information regarding its subsidiaries and associates. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform and audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

- 3)
 - a) We did not audit the financial statements of 7 (Seven) Foreign subsidiaries (As per Annexure I) for the year ended 31st March, 2008 whose financial statements reflect total assets of **Rs. 2,328.92 Crores** as at 31st March, 2008, total revenue of **Rs. 9,204.93 Crores** and cash flows amounting to **Rs.84.39 Crores** for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.

 - b) We did not audit the financial statements of 22 (Twenty two) Indian subsidiary (As per Annexure II) for the year ended 31st March, 2008, whose financial statements reflect total assets of **Rs. 8,635.88 Crores** as at 31st March, 2008, total revenue of **Rs. 488.16 Crores** and cash flows amounting to **Rs.145.98 Crores** for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.

- 4) We conducted the audit of the separate financial statements of joint venture Company Adani Wilmar Limited for the year ended 31st March, 2008 whose audited financial statements reflect total assets of **Rs. 1,375.34 Crores** as at 31st March, 2008, total revenue of **Rs. 3,392.93 Crores** and cash flows amounting to **Rs.55.22 Crores** for the year then ended. The said financial statements have been considered for consolidation.

- 5) We did not audit the financial statements of partnership firm namely Adani Township and Real Estate Company whose audited financial statements reflect total assets of **Rs. 103.16 Crores** as at March 31, 2008, total revenues of **Rs.0.08 Crores** and cash flows amounting to **Rs.(0.49) Crores** for the year ended on that date. The said financial statements have been considered for consolidation.
- 6) We conducted the audit of the separate financial statements of partnership firm namely Adani Exports whose audited financial statements reflect total assets of **Rs. 802.70 Crores** as at March 31, 2008 total revenues of **Rs. 2,430.51 Crores** and cash flows amounting to **Rs.0.13 Crores** for the year ended on that date. The said financial statements have been considered for consolidation.
- 7) We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21– Consolidated Financial Statements, Accounting Standard 23–Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27– Financial Reporting of Interest in Joint Ventures issued by the Institute of Chartered Accountants of India.
- 8) On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of its subsidiaries and associates in our opinion the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Adani Group as at March 31, 2008;
 - b) in the case of the Consolidated Profit and Loss Account, of the profit of the Adani Group for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Adani Group for the year ended on that date.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

Place: Ahmedabad
Date: 28th May,2008.

(D. A. PARIKH)
Partner

The subsidiary Companies considered in consolidation financial statements are :

ANNEXURE I

Sr. No.	Name of the Subsidiary (Foreign)
1	Adani Global Ltd.
2	Adani Global FZE
3	Adani Global Pte. Ltd.
4	Adani Virginia Inc.
5	PT Adani Global
6	Adani Shipping Pte. Ltd.
7	Libra Shipping Pte. Ltd.

ANNEXURE II

Sr. No.	Name of the Subsidiary (Domestic)
1	Adani Agrifresh Ltd.
2	Adani Agri Logistics Ltd.
3	Adani Power Ltd.
4	Adani Power Maharashtra Ltd.
5	Adani Power Rajasthan Ltd.
6	Adani Habitats Pvt Ltd.
7	Adani Energy Ltd.
8	Adani Mining Pvt.Ltd.
9	Parsa Kente Collieries Ltd.
10	Adani Welspun Exploration Ltd.
11	Vyom Tradelink Pvt Ltd.
12	Adani Infrastructure and Developers Pvt Ltd
13	Adani Estates Pvt. Ltd.
14	Swayam Realtors & Traders Ltd.
15	Columbia Chrome (India) Pvt. Ltd.
16	Shantigram Estate Management Pvt.Ltd.
17	Adani Developers Pvt Ltd.
18	Adani Land Developers Pvt Ltd.
19	Adani Landscapes Pvt Ltd.
20	Mlraj Impex Pvt.Ltd.
21	Adani Power Dahej Ltd.
22	Adani Mundra SEZ infrastructure Pvt. Ltd.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

Place: Ahmedabad
Date : 28th May,2008.

(D. A. PARIKH)
Partner



CONSOLIDATED FINANCIAL STATEMENTS

**ADANI ENTERPRISES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008**

(Rs. In Crores)

PARTICULARS		SCHEDULE	AS AT 31-03-2008		AS AT 31-03-2007	
A	SOURCES OF FUNDS :					
I.	SHAREHOLDERS' FUND					
	(A) Share Capital	1	24.65		24.65	
	(B) Share Application Money pending allotment		7.62		0.25	
	(C) Reserves & Surplus	2	2,092.68		1,125.65	
				2,124.95		1,150.55
II.	LOAN FUNDS :					
	(A) Secured Loans	3	2,746.00		2,110.49	
	(B) Unsecured Loans	4	3,465.15		2,242.46	
				6,211.15		4,352.95
III.	MINORITY INTEREST					
	Capital		273.10		3.51	
	Add : Share In Profits		77.23		0.64	
				350.33		4.15
IV.	DEFERRED TAX LIABILITY					
	Deferred Tax Liability		55.82		36.71	
	Less :-					
	Deferred Tax Assets		16.45		10.50	
				39.37		26.21
	TOTAL			8,725.80		5,533.86
B	APPLICATION OF FUNDS :					
I.	FIXED ASSETS					
	(A) Gross Block	5	927.54		465.40	
	(B) Less : Depreciation		115.34		51.32	
	(C) Net block		812.20		414.08	
	(D) Capital Work-in-Progress		2,984.26		894.10	
				3,796.46		1,308.18
	PRE-OPERATIVE EXPENDITURE (PENDING CAPITALISATION)			297.49		72.80
II.	INVESTMENTS	6		330.30		12.76
III.	CURRENT ASSETS, LOANS & ADVANCES					
	(A) Inventories	7	3,269.46		1,799.11	
	(B) Receivables	8	1,396.72		2,418.43	
	(C) Cash & Bank Balances	9	1,642.99		1,631.64	
	(D) Loans & Advances	10	1,661.14		663.63	
			7,970.31		6,512.81	
	LESS :- CURRENT LIABILITIES & PROVISIONS					
	(A) Current Liabilities	11	3,497.79		2,272.07	
	(B) Provisions	12	178.21		104.22	
			3,676.00		2,376.29	
	NET CURRENT ASSETS			4,294.31		4,136.52
IV.	MISCELLANEOUS EXPENDITURE (To The Extent not Written off or Adjusted)	13		7.24		3.60
	TOTAL			8,725.80		5,533.86

Notes forming part of the accounts
As per our attached report of even date

20

For and on behalf of the Board

For **DHARMESH PARIKH & CO.,**
Chartered Accountants

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

D.A. PARIKH
Partner

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

Place : Ahmedabad
Date : 28th May,2008

Place : Ahmedabad
Date : 28th May,2008

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

(Rs. In Crores)

PARTICULARS		SCHEDULE	2007-08	2006-07
A	INCOME :			
	Sales & Operating earnings	14	19,609.71	16,949.06
	Other income	15	39.00	4.16
			19,648.71	16,953.22
B	EXPENDITURE :			
	Cost of materials	16	18,044.59	15,873.28
	Personnel expenses	17	91.90	57.15
	Operation & other expenses	18	757.14	548.18
	Finance Charges	19	277.01	228.58
	Depreciation		44.77	16.33
	Misc. expenditure written off		0.42	0.22
			19,215.83	16,723.74
	Profit for the year Before Prior Period Adjustments		432.88	229.48
	Add/(Less) : Prior Period Adjustment		(1.86)	(0.66)
	Add : Excess Provision Written Back		2.24	0.17
	Profit for the year before taxation		433.26	228.99
	Provision for taxation: (including share of joint venture)			
	- Current Tax		51.98	38.68
	- Adjustment of earlier years		(1.87)	-
	- Deferred Tax		5.00	11.38
	- Fringe Benefit Tax		2.15	1.58
	Profit after taxation, before share of Associate's Profit and Minority Interest		376.00	177.35
	Less: Share of Loss from Associate		-	3.43
	Less: Share of Minority Interest		6.25	0.64
	Net Profit		369.75	173.28
	Add : Surplus brought forward from Previous Year		474.14	403.79
	Profit available for appropriation		843.89	577.07
	APPROPRIATIONS :			
	Proposed Dividend on Equity Shares		14.79	-
	Tax on Dividend (including surcharge)		2.51	-
	Interim Dividend on Equity Shares		-	11.34
	Tax on Interim Dividend (including surcharge)		-	1.59
	Transfer to General Reserve		70.00	30.00
	Transferred to Debenture Redemption Reserve		10.00	60.00
	Balance carried to balance sheet		746.59	474.14
			843.89	577.07
	Earning per Share - Re. 1/- each (in Rupees)			
	- Basic		15.00	7.31
	- Diluted		14.12	7.31

Notes forming part of the accounts
As per our attached report of even date

20

For and on behalf of the Board

For **DHARMESH PARIKH & CO.,**
Chartered Accountants

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

D.A. PARIKH
Partner

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

Place : Ahmedabad
Date : 28th May,2008

Place : Ahmedabad
Date : 28th May,2008



CONSOLIDATED FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 13 FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

PARTICULARS	(Rs. In Crores)	
	AS AT 31-03-2008	AS AT 31-03-2007
SCHEDULE : 1		
SHARE CAPITAL		
AUTHORISED		
50,00,00,000 (Previous Year 50,00,00,000) Equity Shares of Re. 1/-	50.00	50.00
5,00,00,000 (Previous year 5,00,00,000) Preference Shares of Rs. 10/- each	50.00	50.00
	100.00	100.00
ISSUED, SUBSCRIBED & PAID-UP		
24,64,86,975 (Previous Year 24,64,86,975) Equity Shares of Re. 1/- each	24.65	24.65
	24.65	24.65
NOTES :		
Of the above Equity Shares		
(i) 2,60,12,975 (Previous Year 2,02,96,968) Equity shares of Re. 1/- each were allotted as fully paid up at premium on conversion of foreign currency convertible bonds.		
(ii) 50,00,000 (Previous Year 50,00,000) Equity Shares of Re. 1/- each were allotted as fully paid up at premium without payment being received in cash, on amalgamation.		
(iii) 50,00,000 (Previous Year 50,00,000) Equity Shares of Re. 1/- each were issued as Bonus Shares by capitalization of profit.		
(iv) 16,53,55,000 (Previous Year 16,53,55,000) Equity Shares of Re. 1/- each were issued as Bonus shares by capitalization of share premium.		
SCHEDULE : 2		
RESERVES & SURPLUS		
1 GENERAL RESERVE		
As per last balance sheet	396.61	366.61
ADD :- Transferred during the year from Profit & Loss Account	70.00	30.00
ADD :- Transferred from Debenture redemption Reserve	50.00	-
LESS :- Adjustment for Gratuity (As per AS-15-Revised) net of deferred tax	1.46	-
	515.15	396.61
2 DEBENTURE REDEMPTION RESERVE		
As per last balance sheet	70.00	10.00
ADD :- Created during the year	10.00	60.00
LESS :- Transfer to General Reserve	50.00	-
	30.00	70.00
3 SHARE PREMIUM ACCOUNT		
As per last balance sheet	181.31	47.35
ADD :- Amount received on conversion of Foreign Currency Convertible Bonds	-	133.96
ADD :- Amount received during the year	632.08	-
	813.39	181.31
4 EXCHANGE RESERVE		
	(8.10)	3.59
5 SURPLUS IN PROFIT & LOSS ACCOUNT		
Less: Adjustment against Goodwill *	746.59 (4.35)	474.14 -
	742.24	474.14
	2,092.68	1,125.65

* Proportionate current year profit of the subsidiary Company acquired during the year

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 13 FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

(Rs. In Crores)

	PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
	SCHEDULE : 3				
	SECURED LOANS				
1	From Banks - Term Loans (Note I & II)		1,825.55		1,707.79
2	From Banks - Working Capital (Note I & II)				
	a) Foreign Currency		95.98		48.50
	b) Rupee Loan		580.22		238.01
3	Non Convertible Debenture(Note III)		50.00		50.00
4	Vehicle Loans(Note - IV)		0.38		1.03
5	Home Loans (Note - V)		0.81		1.22
6	From Others - Trust Receipts		142.75		-
			2,695.69		2,046.55
	Share in joint Venture		50.31		63.94
			2,746.00		2,110.49
	NOTES :				
I	Above facilities are secured by :				
	a) Hypothecation of the stocks and book debts by way of first charge ranking pari-passu among the Banks.				
	b) Hypothecation of furnitures & fixtures at Corporate House Guargaon.				
	c) Tangible movable properties ranking pari-passu among the Banks.				
	d) Guaranteed by some of the Directors in their personal capacity.				
	e) Pledge of 1,00,00,000 equity shares of Mundra Port & SEZ Ltd.held by an associate Company.				
II	Further secured by creation of Equitable Mortgage :				
	a) Over certain immovable properties belonging to the Company.				
	b) Over certain immovable properties belonging to Adani Properties Pvt. Ltd.				
III	The above debentures are secured by				
	a) Hypothecation on movable properties of the Company situated at Dist: Belekeri Port.				
	b) Equitable Mortgage over an immovable property of the Company.				
	c) Pledge of shares of some of the promoters and their relatives				
	d) Non Convertible Debentures of Rs. 50 crores shall be redeemed in three equal installments at the end of third, fourth and fifth year from the date of allotment i.e. 26th August, 2005.				
IV	Vehicles loans are secured by hypothecation of assigned vehicles				
V	Home loans are secured by hyphothecation of assigned properties.				
	SCHEDULE : 4				
	UNSECURED LOANS				
	Foreign Currency Convertible Bonds (Note - I)		1,106.28		1,106.28
	Inter Corporate Loans		458.35		109.58
	Loans from Banks / Financial institutions(Note II)		1,888.86		1,026.18
	Loans from Directors		-		0.42
			3,453.49		2,242.46
	Share in joint Venture		11.66		-
			3,465.15		2,242.46
	NOTES :-				
I	Bonds are convertible into equity shares at the option of bondholders , any time during the conversion period from January 27, 2008 to 27 December 2011.Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed at maturity date, without further notice, on 27th January, 2012.				
II	The Company also has an option to convert at any time, on or after 27th July,2008 and prior to 27th January,2012 , the bonds into equity shares as per the agreed terms of the FCCB issue.				
III	Loans from Banks / Financial Institutions are secured by Demand Promissory Note and/or Pledge of shares of some of the Promoters and their relatives and /or guaranteed by some of the Directors in their personal capacity.				



CONSOLIDATED FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 13 FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

SCHEDULE : 5

CONSOLIDATED FIXED ASSETS AS AT 31ST MARCH, 2008

(Rs. In Crores)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
		As at 1/4/2007	Additions during the year	Deductions during the year	Transfer	As at 31/3/2008	As at 1/4/2007	Provided for the year	Deductions during the year	Dep.transfe	As at 31/3/2008	As at 31/3/2008	As at 31/3/2007
A	Tangible												
	Owned Assets												
1	Land	29.59	3.97	1.82	-	31.74	-	-	-	-	-	31.74	29.59
2	Building	82.72	28.58	0.71	-	110.59	6.88	2.33	0.02	-	9.19	101.40	75.85
3	Plant & Machinery	388.36	186.97	1.14	(0.05)	574.13	38.95	33.25	0.06	(0.01)	72.13	502.00	349.41
4	Furniture & Fixtures	23.96	3.16	1.21	-	25.91	6.29	2.22	0.37	-	8.15	17.76	17.67
5	Electrical Fittings	8.03	11.27	-	-	19.30	1.10	0.87	-	-	1.97	17.33	6.93
6	Office Equipment	12.28	4.59	0.14	-	16.72	2.15	0.94	0.02	-	3.07	13.66	10.13
7	Computer Equipments	14.09	7.28	0.47	-	20.89	5.49	2.35	0.23	-	7.62	13.28	8.60
8	Vehicles	13.24	6.50	1.10	0.05	18.69	3.88	1.47	0.38	0.01	4.98	13.71	9.36
9	Air Craft	14.26	-	-	-	14.26	1.84	0.80	-	-	2.64	11.62	12.42
10	Ship	27.22	0.24	-	-	27.46	0.58	1.37	-	-	1.95	25.51	26.64
	Sub total	613.75	252.55	6.60	-	859.70	67.16	45.60	1.07	-	111.69	748.01	546.59
	Leased Assets												
1	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
2	Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-
3	Building	-	0.26	-	-	0.26	-	0.06	-	-	0.06	0.20	-
4	Land	24.99	12.59	-	-	37.58	0.40	0.37	-	-	0.77	36.81	24.60
	Sub total	24.99	12.85	-	-	37.84	0.40	0.43	-	-	0.83	37.01	24.60
B	Intangible												
1	Goodwill (on Consolidation)	32.71	-	17.70	-	15.01	-	-	-	-	-	15.01	32.71
2	Good Will	2.53	1.80	-	-	4.33	0.27	0.16	-	-	0.43	3.90	2.26
3	Software	5.47	4.77	-	-	10.24	1.12	1.23	-	-	2.35	7.89	4.35
4	Right of Use of Land	-	0.42	-	-	0.42	-	0.05	-	-	0.05	0.37	-
	Sub total	40.71	6.99	17.70	-	30.00	1.39	1.44	-	-	2.83	27.18	39.32
	Grand Total(A+B)	679.45	272.39	24.30	-	927.54	68.95	47.46	1.07	-	115.34	812.20	610.51
	Previous Year	307.37	172.20	14.17	-	465.40	35.37	17.62	1.67	-	51.32	414.08	-

(Rs. In Crores)

PARTICULARS		AS AT 31-03-2008		AS AT 31-03-2007	
	SCHEDULE : 6				
(A)	LONG TERM INVESTMENTS (NON TRADING) (UNQUOTED)				
	GOVERNMENT SECURITIES (Lodged with Government departments) in 6 year National Saving Certificates			0.03	0.02
	DEBENTURES				
	1) Life Insurance Corporation of India Ltd			-	1.15
	2) UTI Asset Management Company Pvt Ltd			-	4.71
	3) UTI Mutual Fund (P.Y. Rs. 27270/-)			-	-
	4) General Insurance Corporation of India Ltd			-	0.05
	5) New India Assurance Company Pvt Ltd			-	0.10
	6) National Insurance Company Limited			-	0.05
	7) KMSWML (P.Y. Rs. 6572/-)			-	-
	OTHERS				
	1) Nil (5) Bond of UCO Bank of Rs. 5,00,000/- each.			-	0.25
	2) 20,000(20,000) equity shares of KCCB of Rs. 25/- each			0.05	0.05
	3) 3,52,000 (3,52,000) equity shares of Mundra Sez Textile & Apparel Park Pvt Ltd of Rs. 10/- each.			0.35	0.35
	4) Land - Khatau Mills			236.88	-
	5) 12,50,000(Nil) equity shares of Indian Energy Exchange Ltd of Rs. 10/- each.			1.25	-
(B)	CURRENT INVESTMENT (QUOTED)				
	1) 37(Nil) Bond of Andhra Bank of Rs. 10,00,000/- each.			3.70	-
	2) 138 (Nil) Bond of State Bank of India of Rs.10,00,000/- each.			14.76	-
	3) 40 (Nil) Bond of State bank of Mysore of Rs. 10,00,000/- each.			4.05	-
	4) Nil (5000) Equity Shares of Hindalco Ltd @ Rs 1/- each, partly paid up of Rs 0.50 (PY Rs 0.50)			-	0.02
(C)	SHORT TERM INVESTMENTS (UNQUOTED)				
	1) Nil (18292.476) units of DSP Merrill Lynch Liquidity Fund of Rs.1000/- each			-	2.00
	2) Nil (16215.166) units of UTI Mutual Liquid Fund of Rs. 1000/- each			-	2.00
	3) Nil (856641.110) Units of Principal Mutual Fund of Rs 10/- each.			-	1.00
	4) 8,280,522.0041 (Nil) Units of SBI Magnum Insta cash option of Rs 10/- each			15.00	-
	5) 32956765 (Nil) DWS Liquid Plus Fund			23.08	-
	6) 79984027 (Nil) DWS Money Plus Fund			30.13	-
	7) 265615554 (Nil) DWS Money Insta Cash			0.03	-
				329.30	11.75
	Share in joint Venture			1.00	1.01
				330.30	12.76
	Aggregate Book Value - Quoted			22.51	0.02
	- Unquoted			307.79	12.74
	Aggregate Market Value - Quoted			22.62	0.04

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 13 FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

(A) MUTUAL FUND

Sr No	Name of Fund	Face value (Rs.)	Nos. (in Crs.)	Cost (Rs in Crores)
1	UTI Liquid Cash Plan	1,000.00	0.83	1,062.00
2	Reliance Liquidity Fund -Growth Option	10.00	89.50	1,043.00
3	Kotak Liquid(Institutional Premium)-Growth	10.00	1.23	20.00
4	Dsp Merrill Lynch Liquid - Institutional Growth	1,000.00	0.25	278.00
5	Prundetal Ici Institutional Liquidity - Super Institutional Growth	10.00	5.98	67.00
6	HDFC Liquid Fund -Premium Plan- Growth	10.00	7.11	110.00
7	Standard Chartered Liquidity Manager Plus - Growth	1,000.00	0.28	316.00
8	Fidelity Cash Fund - Institutional Growth	10.00	4.53	49.00
9	SBI Magnum Insta Cash Option	10.00	17.77	316.00
10	Principal Institutional Option Growth Plan	10.00	67.38	814.50
11	Magnum Insta Cash Fund-Daily Dividend Option	10.00	6.04	101.14
12	UTI Money Market Fund - Growth Plan	10.00	0.14	3.00
13	JP Morgan India Liquid Fund - Growth Plan	10.00	8.18	83.00
14	AIG India Liquid Fund Super Institutional - Growth	1,000.00	0.26	266.00
15	ING Vysya Mutual Fund	10.00	17.17	214.00
16	Lotus India Liquid Fund-Institutional Growth	10.00	0.47	5.00
17	Lotus India Liquid Fund-Institutional Plus Growth	10.00	2.61	28.00
18	Dsp Merril Cash Plus-Institutional Growth	1,000.00	0.20	205.00
19	JM High Liquidity Fund Super Institutional Plan Daily Dividend	10.00	2.20	22.00
20	JM High Liquidity Fund Super Institutional Plan Growth (94)	10.00	6.70	84.50
21	DWS Money Plus Fund- Institutional Plan	10.01	8.00	80.05
22	DWS Liquid Plus Fund	10.01	3.30	33.01
23	DWS Insta Cash Plus Fund Super Institutional Plan	10.02	12.58	126.02
24	DWS Insta Cash Plus Fund	10.02	13.98	140.13

(B) BONDS

Sr No	Name of Bond	Face value (Rs.)	Nos.	Cost (Rs in Crores)
1	7.99 % GS 2017	1,000,000.00	150.00	15.12
2	7.99% 2017 G-Sec	1,000,000.00	300.00	30.82
3	5.48% 2009 G-Sec	1,000,000.00	100.00	9.80
4	364D Tbill	1,000,000.00	100.00	9.98
5	Rajasthan 8.46% 2017	1,000,000.00	250.00	25.33
6	11.83% GOI 2014	1,000,000.00	100.00	12.29
7	10.10% SBI Bond	1,000,000.00	62.00	6.63
8	Andhra Bank	1,000,000.00	63.00	6.30
9	Treasury Bills	1,000,000.00	11.00	1,093.25
10	Govt. of India Securities	1,000,000.00	5.20	534.92
11	Rajasthan Securities	1,000,000.00	0.30	31.51
12	M. P. Securities	1,000,000.00	0.20	20.67
13	Kerala Securities	1,000,000.00	1.00	103.11

(Rs. In Crores)

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
SCHEDULE : 7				
INVENTORIES				
(AS CERTIFIED BY THE MANAGEMENT)				
Raw-materials		47.48		35.26
Finished Goods		951.08		472.61
Stores, Chemicals & Packing Materials		20.18		0.56
Stock-in-process		1,757.76		1,135.24
Capital Inventory		100.19		-
		2,876.69		1,643.67
Share In Joint Venture		392.77		155.44
		3,269.46		1,799.11

CONSOLIDATED FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED

SCHEDULES 1 TO 13 FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

(Rs. In Crores)

PARTICULARS	AS AT 31-03-2008		AS AT 31-03-2007	
SCHEDULE : 8				
RECEIVABLES (UNSECURED)				
Over six months Considered Good	90.23		83.34	
Over six months Considered Doubtful	3.61		2.91	
	93.84		86.25	
Less :- Provision for doubtful debts	(4.11)	89.73	(2.91)	83.34
Others, Considered Good		1,251.97		2,295.40
		1,341.70		2,378.74
Share in Joint Venture		55.02		39.69
		1,396.72		2,418.43
SCHEDULE : 9				
CASH & BANK BALANCES				
Cash on hand (including cheque on hand)		4.20		2.11
Balances with Scheduled Banks :-				
- Margin money account (lodged against Bank Guarantee & Letter of Credit)	214.82		206.20	
- Margin money accounts (net of Buyers Credit & 100% Letter of Credit)	110.35	325.17	25.04	231.24
- In Fixed Deposit account (including pledged with govt. authorities)		47.61		51.02
- In Current Account		328.77		169.47
O/s during the year 0.57 Cr & Previous year 0.24 Cr				
- In EEFC account		3.41		1.79
- Unclaimed Dividend account		0.21		0.89
Balance with Foreign Bank :-				
- In Current Account		59.38		24.69
- In Deposit Account		792.65		1,096.45
		1,561.40		1,577.66
Share in Joint Venture		81.59		53.98
		1,642.99		1,631.64
SCHEDULE : 10				
LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD)				
Loans		116.69		36.33
Advances recoverable in cash or kind or for value to be received		1,298.92		481.07
Interest accrued but not due		31.82		15.35
Interest accrued and due on NSC (Lodged with Govt. Authorities)		0.01		0.01
Advance payment of Income tax		162.73		107.08
Balances with Government Authorities		26.84		4.86
		1,637.01		644.70
Share in Joint Venture		24.13		18.93
		1,661.14		663.63
SCHEDULE : 11				
CURRENT LIABILITIES				
Sundry Creditors				
-Micro, Small & Medium Enterprises (Refer Note 28)		-		-
-Others		2,070.05		1,653.58
Other Liabilities		906.76		356.44
Unclaimed Dividend / Dividend payable		0.21		0.89
Interest accrued but not due		41.38		24.75
		3,018.40		2,035.66
Share in Joint Venture		479.39		236.41
		3,497.79		2,272.07
SCHEDULE : 12				
PROVISIONS				
Provision for Taxation		149.78		97.81
Provision for Fringe Benefit Tax		0.03		2.80
Provision for Leave Encashment/Gratuity		10.26		3.17
Proposed Dividend		14.79		-
Tax on Dividend (including surcharge)		2.51		-
		177.39		103.78
Share in Joint Venture		0.82		0.44
		178.21		104.22
SCHEDULE : 13				
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)				
1)Deferred Revenue Expenditure	2.45		3.24	
Less : 1/5th written off during the year	0.15	2.30	-	3.24
2)Preliminary Expenses	5.01		0.37	
Less : 1/5th amortised	0.07	4.94	0.01	0.36
		7.24		3.60
Share in Joint Venture		-		-
		7.24		3.60

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED
SCHEDULES 14 TO 19 FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2008

(Rs. In Crores)

PARTICULARS	2007-08		2006-07	
SCHEDULE : 14				
SALES & OPERATING EARNINGS				
Sales		17,532.52		15,355.35
Export Incentives		25.17		6.20
Insurance Claim Received		3.39		5.05
Service Charges		157.34		141.53
Profit on sale of Development Rights		35.12		13.12
Other Operating Income		159.88		107.09
		17,913.42		15,628.34
Share of Joint Venture		1,696.29		1,320.72
		19,609.71		16,949.06
SCHEDULE : 15				
OTHER INCOME				
Dividend from Investment		0.18		0.14
Interest from Current Investments		0.46		-
Income from Mutual Fund		3.89		0.83
Profit/ Loss on sale of investments (net)		3.96		-
Bad Debt Recovery		1.80		2.34
Miscellaneous Income		6.86		0.65
Liabilities no longer required Written back		0.97		-
Exceptional Items (Net)*		20.70		-
		38.82		3.96
Share of Joint Venture		0.18		0.20
		39.00		4.16
*Represents gain (net) arising out of Sale of Associates Company's share (long term investment)				
SCHEDULE : 16				
COST OF MATERIALS/ SERVICES				
Raw materials consumed				
Opening Stock		35.26		45.90
ADD : Purchases during the year		2,910.28		1,910.14
		2,945.54		1,956.04
LESS : Closing Stock		47.68		35.26
		2,897.86		1,920.78
Add : Stock Transfer		-		0.73
		2,897.86		1,921.51
Add : Processing Charges		71.44		53.78
		2,969.30		1,975.29
Service Charges		1,431.57		-
Purchase of traded goods		12,748.03		12,847.15
Decrease / (Increase) in stock				
Opening stock of finished / traded goods		405.25		360.34
Closing stock of finished / traded goods		950.89		405.25
		(545.64)		(44.91)
		16,603.26		14,777.53
Share of Joint Venture		1,441.33		1,095.75
		18,044.59		15,873.28
SCHEDULE : 17				
PERSONNEL EXPENSES				
Salaries & Bonus		70.70		41.96
Contribution to provident & other funds		5.93		3.12
Staff welfare expenses		4.32		3.04
		80.95		48.12
Share of Joint Venture		10.95		9.03
		91.90		57.15



CONSOLIDATED FINANCIAL STATEMENTS

ADANI ENTERPRISES LIMITED
SCHEDULES 14 TO 19 FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2008

(Rs. In Crores)

PARTICULARS	2007-08		2006-07	
SCHEDULE : 18				
OPERATION & OTHER EXPENSES				
Rent (net)		4.51		3.74
Rates & Taxes		3.48		3.06
Postage, telephone & telex expenses		4.46		4.40
Stationery & printing expenses		1.45		1.33
REPAIRS TO :				
Office building	1.56		0.61	
Office equipments	2.45		1.19	
Others	4.76		0.70	
		8.77		2.50
Electric power expenses		8.57		1.14
Insurance expenses		6.60		6.90
Fees & Subscription		39.84		61.04
Miscellaneous expenses		27.35		8.28
Loss of stock due to Accident/in transit		0.40		0.52
Payment to Auditors		0.53		0.37
Office Expenses		4.24		3.59
Directors sitting fees		0.03		0.04
Loss / Profit on sale of assets (Net)		(0.10)		0.08
Computer software		-		0.03
Clearing & Forwarding Expenses (Net)		291.31		176.87
Packing Materials Consumed		10.50		0.21
Damages on contract settlements		2.90		-
Supervision & testing expenses.		7.54		7.08
Donation to Political party (Bharatiya Janta Party)		0.50		-
Advertisement and Selling Expenses		96.39		29.16
Provisions/ Writeoff for Doubtful Debts, Loans & Advances		19.25		5.00
Business support services		16.99		51.04
Travelling & conveyance expenses		13.55		11.75
		569.06		378.13
Share of Joint Venture		188.08		170.05
		757.14		548.18
SCHEDULE : 19				
FINANCE CHARGES				
INTEREST PAID				
Interest on Term Loans	216.96		130.84	
Interest on Debentures/Bonds	81.63		27.50	
Interest on Bank Borrowings & Others	50.85		191.86	
		349.44		350.20
Less : Interest Income				
Interest on Deposit & Others		(144.55)		(121.38)
		204.89		228.82
Bank Commission / Charges		34.90		41.91
Exchange Rate Difference (including premium)		17.08		(62.84)
		256.87		207.89
Share of Joint Venture		20.14		20.69
		277.01		228.58

ADANI ENTERPRISES LIMITED

SCHEDULE: "20"

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts: -

1. Basis of accounting:

The financial statements have been prepared under the historical cost convention using the accrual basis of accounting and comply with all the mandatory Accounting Standards as specified in the Companies (Accounting Standard) Rules 2006 and relevant provisions of the Companies Act, 1956, as adopted consistently by the Company.

2. Principles of consolidation:

- a) The consolidated financial statements have been prepared in accordance with Accounting Standard 21(AS 21) on "Consolidated Financial Statements", Accounting Standard 23(AS 23) on "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Adani Enterprises Limited (AEL) its subsidiaries and associates. Reference in the notes to "Group" shall mean to include AEL, its subsidiaries and associates consolidated in these financial statements unless otherwise stated.
- b) The consolidated financial statements have been prepared on the following basis.
 - i). The financial statements of the Group are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
 - ii). In case of associates where the Group directly or indirectly holds more than 20% of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 – "Accounting for

ADANI ENTERPRISES LIMITED

investments in associates in consolidated financial statements” issued by the Institute of Chartered Accountants of India.

- iii) The difference between the cost of investment in the subsidiaries / Associates over the net assets at the time of acquisition of the investment in the subsidiaries / Associates is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv) Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- v) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- vi) Investments made by the parent company in subsidiary company subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statement.
- vii) Intragroup balances and intragroup transactions are eliminated to the extent of share of the parent company in full.
- viii) Unrealised profits on account of intra group transactions have been accounted for depending upon whether the transaction is an upstream or downstream transaction.
- ix) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations if any, have been made in the consolidated financial statements.

ADANI ENTERPRISES LIMITED

The list of Companies / firms included in consolidation, relationship with Adani Enterprises Limited and Adani Enterprises Limited's shareholding therein is as under: The reporting date for all the entities is 31-03-2008

Name of Company / firm	Country of incorporation	Relationship	Shareholding
Adani Global Ltd. (AGL)	Mauritius	Subsidiary	100% by AEL
Adani Global FZE (AGFZE)	U.A.E.	Subsidiary	100% by AGL
Adani Global Pte Ltd. (AGPTE)	Singapore	Subsidiary	100% by AGL
Adani Virginia Inc. (AVINC)	U.S.A.	Subsidiary	100% by AGFZE
Bay Bridge Enterprise LLC (BBELLC)	U.S.A.	Subsidiary	100% by AVINC
PT Adani Global (PTAG)	Indonesia	Subsidiary	95% by AGPTE, 5 % by AGL
Adani Shipping Pte Ltd.(ASPL)	Singapore	Subsidiary	100% by AGL
Libra Shipping Pte Ltd.(LSPL)	Singapore	Subsidiary	100% by AGL
Adani Agrifresh Ltd (AAFL)	India	Subsidiary	100% by AEL
Adani Agri Logistics Ltd (AALL)	India	Subsidiary	100% by AEL
Adani Power Ltd. (APL)	India	Subsidiary	90.57 % by AEL
Adani Power Maharashtra Ltd. (APML)	India	Subsidiary	100% by APL
Adani Power Rajasthan Ltd. (APRL)	India	Subsidiary	100% by APL
Adani Habitats Pvt Ltd. (AHPL)	India	Subsidiary	100% by AEL
Adani Energy Ltd. (AEL)	India	Subsidiary	65 % by AHPL
Adani Mining Pvt.Ltd.(AMPL)	India	Subsidiary	100 % by AEL
Parsa Kente Collieries Ltd. (PKCL)	India	Subsidiary	74 % by AEL
M/s Adani Exports (AE ,FIRM)	India	Partnership	99 % by AEL
Adani Welspun Exploration Ltd.(AWEL)	India	Subsidiary	65 % AEL
Vyom Tradelink Pvt Ltd.(VYOM)	India	Subsidiary	100% by AEL
Adani Infrastructure and Developers Pvt Ltd (AIDPL)	India	Subsidiary	100% by AEL
Adani Estates Pvt. Ltd (AEPL)	India	Subsidiary	100% by AIDPL
Swayam Realtors & Traders Ltd. (SRTL)	India	Subsidiary	60% by AEPL
Columbia Chrome (India) Pvt. Ltd. (CCPL)	India	Subsidiary	60% by AEPL
M/s Adani Township And Real Estate Co. (ATRECO, FIRM)	India	Partnership	75% by ALDPL
Shantigram Estate Management Pvt.Ltd.(SEMPL)	India	Subsidiary	100% by AIDPL
Adani Developers Pvt Ltd.(ADPL)	India	Subsidiary	100% by AIDPL
Adani Land Developers Pvt Ltd.(ALDPL)	India	Subsidiary	100% by AIDPL
Adani Landscapes Pvt Ltd.(ALPL)	India	Subsidiary	100% by AIDPL
Miraj Impex Pvt.Ltd. (MIPL)	India	Subsidiary	100% by AEL
Adani Power Dahej Ltd. (APDL)	India	Subsidiary	100% by APL
Adani Mundra SEZ infrastructure Pvt. Ltd. (AMSEZ)	India	Subsidiary	100% by AIDPL
Adani Wilmar Ltd. (AWL)	India	Joint -Venture	50 % AEL

ADANI ENTERPRISES LIMITED

The list of Companies included in consolidation in the previous year, relationship with Adani Enterprises Limited and Adani Enterprises Limited's shareholding therein is as under:

Name of Company / firm	Country of incorporation	Relationship	Shareholding	Reporting date
Adani Global Ltd. (AGL)	Mauritius	Subsidiary	100% by AEL	31-03-07
Adani Global FZE (AGFZE)	U.A.E.	Subsidiary	100% by AGL	31-03-07
Adani Global Pte Ltd. (AGPTE)	Singapore	Subsidiary	100% by AGL	31-03-07
Adani Virginia Inc. (AVINC)	U.S.A.	Subsidiary	100% by AGFZE	31-03-07
Adani Agrifresh Ltd (AAFL)	India	Subsidiary	100% by AEL	31-03-07
Bay Bridge Enterprise LLC (BBELLC)	U.S.A.	Subsidiary	100% by AVINC	31-03-07
PT Adani Global (PT AG)	Indonesia	Subsidiary	95% by AGPTE, 5 % by AGL	31-03-07
Adani Agri Logistics Ltd (AALL)	India	Subsidiary	100% by AEL	31-03-07
Adani Power Ltd. (APL)	India	Subsidiary	100% by AEL	31-03-07
Vyom Tradelink Pvt Ltd.(VYOM)	India	Subsidiary	100% by AEL	31-03-07
Adani Shipping Pte Ltd.(ASPL)	Singapore	Subsidiary	100% by AGL	31-03-07
Libra Shipping Pte Ltd.(LSPL)	Singapore	Subsidiary	100% by AGL	31-03-07
Adani Infrastructure & Developers Pvt Ltd (AIDPL)	India	Subsidiary	100% by AEL	31-03-07
Adani Estates Pvt. Ltd (AEPL)	India	Subsidiary	100% by AIDPL	31-03-07
M/s Adani Exports (AE,FIRM)	India	Partnership	99% by AEL	31-03-07
M/s Adani Township And Real Estate Co.(ATRECO,FIRM)	India	Partnership	75% by ALDPL	31-03-07
Swayam Realtors & Traders Ltd. (SRTL)	India	Subsidiary	60% by AEPL	31-12-06
Columbia Chrome (India) Pvt. Ltd. (CCPL)	India	Subsidiary	60% by AEPL	31-03-07
Adani Townships & Real Estate Co. Pvt Ltd.(ATRECO)	India	Subsidiary	100% by AIDPL	31-03-07
Adani Land Developers Pvt Ltd.(ALDPL)	India	Subsidiary	100% by AIDPL	31-03-07
Adani Developers Pvt Ltd.(ADPL)	India	Subsidiary	100% by AIDPL	31-03-07
Adani Habitats Pvt Ltd. (AHPL)	India	Subsidiary	100% by AIDPL	31-03-07
Adani Retail Ltd.(ARL)	India	Associate	49% AEL	31-03-07
Advantage Retail Pvt. Ltd.(ARPL)	India	Associate	49% AEL	31-03-07
Adani Wilmar Ltd. (AWL)	India	Joint-Venture	50% AEL	31-03-07

3. SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The financial statements have been prepared under the historical cost convention, in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

Most of the accounting policies of the Reporting Company and those of its Subsidiaries, Joint Venture and Associates are similar. However, since certain Subsidiaries/ Joint Venture/ Associates are in businesses that are distinct from that of the Reporting Company and function in different regulatory environments, certain accounting policies may differ. The accounting policies of all the Companies are in line with generally accepted accounting principles.

ADANI ENTERPRISES LIMITED

b) **USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revision are made.

c) **INVENTORIES**

- i). Inventories are valued at lower of cost or Net Realisable value.
- ii). Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii). The basis of determining cost for various categories of inventories are as follows:

a) Raw material : Weighted Average Cost

b) Traded / Finished goods : Weighted Average Cost.

d) **CASH FLOW STATEMENT**

The Cash flow Statement is being prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Accounting Standard-3 prescribed by the Institute of Chartered Accountants of India.

e) **MATERIAL EVENTS**

Material events occurring after the balance sheet date are taken into cognizance.

f) **PRIOR PERIOD ITEMS**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Adjustment Account"

g) **DEPRECIATION**

- i). Depreciation on Fixed Assets is provided on straight line method at rates and in the manner specified in Schedule XIV to the Companies Act, 1956 read with the relevant circulars issued by the Ministry of Corporate Affairs.
- ii). Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.
- iii). Individual assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

h) **REVENUE RECOGNITION**

- i). Sales of goods is recognised on shipment or dispatch to customer sales and net of Sales-tax and return.
- ii). Dividend income from investments is recognised when the Company's right to receive payment is established.

ADANI ENTERPRISES LIMITED

- iii). Income from services rendered is accounted for when the work is performed.
- iv). Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v). Profit/Loss on sale investments are recognized on the contract date.
- vi). Export benefits under various scheme announced by the Central Government under Exim policies are accounted for on accrual basis to the extent considered receivable, depending on the certainty of receipt.

l) GOODWILL

On the acquisition of an undertaking, the difference between the purchase consideration and the value of the net assets acquired is recognized as Goodwill.

Goodwill which has a limited useful economic life is amortised over a period of fifteen years on straight line basis from the year of creation.

j) FIXED ASSETS

- i). Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.
- ii). Expenditure on accounts of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.
- iii). Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, are charged off to revenue in the year of incurrence.
- iv). The cost of fixed assets not put to use before the year end, are disclosed under capital work-in-progress.

k) FOREIGN CURRENCY TRANSACTIONS**i) Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

ii) Conversion

At the year-end, monetary items denominated in foreign currencies, other than those covered by forward contracts, are converted into rupee equivalents at the year end exchange rates.

ADANI ENTERPRISES LIMITED

iii) Exchange Differences

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Profit and Loss Account.

iv) Forward Exchange Contracts

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions.

The use of such foreign currency forward contracts is governed by the Company's policies approved by the management, which provide principles on use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instrument for speculative purposes.

In respect of transactions covered by forward exchange contracts, the difference between the year end rate and the exchange rate at the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contracts.

l) INVESTMENTS

- a) Long-term Investments are stated at cost. Provision for diminution in the value of long-term Investments is made only if such a decline is other than temporary in the opinion of the management.
- b) Current investment are carried at the lower of cost and quoted/fair value, computed category wise.
- c) Investment in shares of foreign subsidiary Company is expressed in Indian Currency at the rates of exchange prevailing at the time when the investment was made.

m) RETIREMENT BENEFITS

Gratuity with respect to defined benefit schemes are accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

Provision is made for leave encashment based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Fund are determined under the relevant schemes and/or statute, charged to the Profit & Loss Account when incurred.

ADANI ENTERPRISES LIMITED**n) BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

o) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party Disclosures" has been set out in a separate statement annexed to this Schedule. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

p) LEASES

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godowns, etc.) and land. The aggregate lease rental payable are charged as rent including lease rentals.

q) EARNING PER SHARE

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

r) TAXES ON INCOME**i). DEFERRED TAXATION**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

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

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

ii) CURRENT TAXATION

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

ADANI ENTERPRISES LIMITED

iii). FRINGE BENEFIT TAX

Provision for Fringe Benefit Tax has been recognized on the basis of a harmonious, contextual interpretation of the provisions of the Income Tax Act, 1961.

s) IMPAIRMENT OF FIXED ASSETS

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the profit and loss account.

t) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

u) FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTION

In respect of derivative contracts, premium paid, gains / losses on settlements and provision for losses for cash flow hedges are recognised in Profit and Loss Account.

v) ACCOUNTING OF CLAIMS

- i). Claims received are accounted at the time of lodgement depending on the certainty of receipt and claims payable are accounted at the time of acceptance.
- ii). Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any are made in the year in which disputes are finally settled.

w) PROPOSED DIVIDEND

Dividend proposed by the Directors is provided for in the books of account pending approval by the members at the Annual General Meeting.

ADANI ENTERPRISES LIMITED

- x) **DOUBTFUL DEBTS/ADVANCES**
Provision is made in the accounts for Debts / Advances which in the opinion of the management are considered doubtful of recovery.
- y) **MISCELLANEOUS EXPENDITURE – DEFERRED REVENUE EXPENSE AND PRELIMINARY EXPENDITURE**
This represents preliminary and pre-operating costs incurred during the period. It will be fully written off on commencement of operations.
- z) **OTHER SIGNIFICANT ACCOUNTING POLICIES**
These are set out in the notes to accounts under “Statement of Accounting Policies” of the financial statements of the Company, AGL, AGFZE, AGPTE, AVINC, BBELLC, PT AG, ASPL, LSPL, AAFL, AALL, APL, APML, APRML, AHPL, AENL, AMPL, PKCL, AE, AWEL, VYOM, AIDPL, AEPL, SRTL, CCPL, ATRECO, SEMPL, ADPL, ALDPL, ALPL, MIPL, APDPL, AMSEZ and AWL.

(B) NOTES ON ACCOUNTS:-

1. In AGL, AGFZE, AGPTE, AVINC, BBELLC, PT AG, ASPL, LSPL, the summarized revenue and expenses transactions at the year end reflected in Profit & Loss Account have been translated into Indian Rupees at an average of monthly exchange rate.

The assets and liabilities in the Balance Sheet have been translated into Indian Rupees at the closing exchange rate at the year end. The resultant translation exchange, gain / loss has been disclosed as Exchange Reserves in Reserves and Surplus.

2. **Contingent liabilities not provided for**

(Rs. in Crores)

PARTICULARS		AS AT 31-03-2008	AS AT 31-03-2007
a)	Claims against the Company not acknowledged as debts	450.10	47.68
b)	In respect of Corporate Guarantee given:-		
	(i) To Companies under the same management	94.29	92.46
	(ii) For obligations to other parties	119.91	206.35
c)	Bills of Exchange Discounted	1,049.73	590.15
d)	Demand against the Company not admitted as debts regarding sales tax against which appeals are pending	6.79	10.59
e)	In respect of Bank Guarantees given to Government agencies (Including bonds)	2,621.51	206.00
f)	Letter of Credit	921.25	1,068.42
g)	In respect of partly paid shares.	-	0.02
h)	Export obligations though completed but procedural relinquishment are pending of Rs.0.07 Crore before DGFT (Previous Year Rs.11.29 Crore) and of Rs. 0.28. Crore before Customs (Previous Year Rs. 0.08 Crore)		
i)	Export obligations of Rs. 6.96 Crore (Previous Year Rs.6.82 Crore) is pending which is equivalent to 8 times of duty saved Rs.0.88 Crore (Previous Year Rs. 0.85 Crore)		
j)	Certain claims / show cause notices disputed have neither been considered as contingent liabilities nor acknowledged as claims based on the opinions obtained from internal evaluation of the management.		
k)	Show Cause notice in terms of value of export goods under section 14 of the Customs Act, 1962 read with section 11 of FTDR Act, 1992 and rule 11 & 14 of FT(Regulation) Rule, 1993 in which liability is unascertainable.		

ADANI ENTERPRISES LIMITED

3. Segment Reporting

i) Primary Segment

Segments have been identified in line with Accounting Standard-17 "Segment Reporting", taking into account the organization structure as well as different risk and returns of these segments.

ii) Secondary Segment

Two Secondary Segments have been identified based on the geographical locations of customers : **within India** and **outside India**.

Primary Segment Information:

(Rs.in Crores)

Particulars	Trading	Real Estate	Power	Others	Inter Segment Elimination	Total
REVENUE						
Sales and Operating Earning (External)	17,570.29	2.29	-	2,037.13	-	19,609.71
	15,579.68	-	-	1,369.38	-	16,949.06
Inter Segment transaction	27.77	-	-	1,414.59	-	1,442.36
	14.09	-	-	0.19	-	14.28
Total Sales and Operating Earning (Net)	17,598.06	2.29	-	3,451.72	(1,442.36)	19,609.71
	15,593.77	-	-	1,369.57	(14.28)	16,949.06
Other Income	29.45	0.06	-	6.79	2.70	39.00
	4.42	-	-	0.64	(0.90)	4.16
Total Revenue	17,627.51	2.35	-	3,458.51	(1,439.66)	19,648.71
	15,598.19	-	-	1,370.21	(15.18)	16,953.22

(Rs.in Crores)

RESULT						
Segment Result (PBIT)	778.94	(2.27)	-	96.31	(162.70)	710.28
	427.73	(1.22)	-	31.12	(0.06)	457.57
Interest Expenses (Net)						277.01
						228.58
Income taxes						57.26
						51.64
Net Profit after tax						375.99
						177.35
Share of Associate Loss						-
						3.43
Share of Minority Interest						6.25
						0.64
Net Profit Attributable to Share holders						369.74
						173.28
OTHER INFORMATION						
Segment assets	9,565.92	2,116.44	2,918.37	2,993.26	(4,784.19)	12,409.80
	6,770.07	1,252.85	655.82	1,018.35	(1,786.94)	7,910.15
Segment liabilities	7,212.75	2,121.05	1,447.32	2,045.74	(2,567.29)	10,259.56
	5,507.25	1,254.10	375.13	760.49	(1,137.37)	6,759.60
Depreciation/Amortisation	17.56	0.44	-	26.77	-	44.77
	7.37	0.01	-	8.95	-	16.33
Capital Expenditure	70.28	16.93	1,794.52	846.02	0.16	2,727.92
	138.25	2.24	488.06	430.09	0.16	1,058.80

ADANI ENTERPRISES LIMITED

Secondary Segment Information :

(Rs.in Crores)

Particulars	Within India	Outside India	Elimination	Total
Sales	15,445.23	2,087.29	(3,979.69)	13,552.83
	10,472.13	8,649.73	(2,445.79)	16,676.07

4. Disclosure as required by Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below:

Being the Company is lessee:

- (i) The Company's significant leasing arrangements are in respect of godowns / residential / office premises (Including furniture and fittings therein, as applicable). The aggregate lease rental payable is charged to Profit and Loss Account as Rent in Schedule 18.
- (ii) The Leasing arrangements, which are cancelable, range between 11 months and 5 years. They are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given.
- (iii) The Leasing arrangements, which are non-cancelable with Governor of Karnataka represented by the Director of Ports & Inland Water Transport, Karnataka. for use of port land. Disclosure in respect of the same arrangements:

(Rs. in Crores)

Particulars	2007-08	2006-07
Total of future minimum lease payments under non-cancelable operating lease for each of the following periods		
Not later than one year	0.18	0.20
Later than one year and not later than five years	1.23	1.12
Later than five years	16.63	16.92
Lease payment recognised in Profit and Loss Accounts	0.20	-

5. Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

- a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2008.

i. For Hedging Currency :

(Rs in Crores)

Sr No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
1	Options (net)	96.93	1,654.03
2	Forward Contracts (net)	541.03	1,069.15
	Total	637.96	2,723.18

ii. For Hedging Commodity Related Risks:

(Rs in Crores)

Particulars	As at 31st March, 2008	As at 31st March, 2007
Commodity Futures (net)	66.26	9.29

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- b) In accordance with principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Schedule VI of the Companies Act, 1956 the Company has charged an amount of Rs.1.96 crores to profit and loss account in respect of derivative contracts outstanding as on 31st March, 2008.
- c) Foreign currency exposures not covered by derivative instruments or otherwise as at 31st March, 2008 amounting to Rs.2,318.03 crores.(Previous Year Rs.3,638.51 crores).

Particulars	Amount In Foreign Currency (In Crore)	Currency	Amount in Rs. (In crore)
Supplier Credit	7.897	USD	315.66
	5.317	USD	231.13
Sundry Creditors	0.002	EUR	0.10
	0.002	EUR	0.11
	0.001	GBP	0.01
	0.000	GBP	0.02
	-	HKD	-
	0.000	HKD	0.00
	0.001	SGD	0.00
	0.001	SGD	0.02
Packing Credit Forward Contract	6.312	USD	252.29
	5.615	USD	244.10
Foreign Currency Convertible Bonds	-	USD	-
	1.097	USD	47.67
Other Payable	25.000	USD	999.25
	25.000	USD	1106.28
Sundry Debtors	0.485	USD	19.39
	0.257	USD	11.15
	0.001	CHF	0.05
	-	CHF	-
Time Deposit	0.016	EUR	1.04
	0.012	EUR	0.72
	-	GBP	-
	2.154	USD	86.09
	22.578	USD	981.47
Other Receivable	16.000	USD	639.52
	22.311	USD	991.63
Other Receivable	0.116	USD	4.63
	0.539	USD	23.79

ADANI ENTERPRISES LIMITED

6. As per the Accounting Standard 18, disclosure of transactions with related parties (As identified by the Management), as defined in Accounting Standard are given below :

i)	Name of related parties & description of relationship
1.	Associate Entities
	<ol style="list-style-type: none"> 1) Adani Petronet (Dahej) Port Pvt. Ltd. 2) Adani Wilmar Ltd. 3) Adani Port Infrastructure Pvt. Ltd. 4) Accurate Finstock Pvt. Ltd. 5) Adani Retail Ltd. 6) Mundra SEZ Textile and Apparel Park Pvt. Ltd. 7) Rajasthan SEZ Pvt. Ltd. 8) Mundra Port and Special Economic Zone Ltd. 9) Adani Logistics Ltd. 10) Adani Energy (UP) Ltd. 11) Inland Conware Pvt. Ltd. 12) Inland Conware (Ludhiana) Pvt. Ltd. 13) I Call India Ltd. 14) Komal Marketing Pvt. Ltd. 15) Aditya Corpex Pvt. Ltd. 16) Adani Shipyard Pvt. Ltd. 17) Komal Infotech Pvt. Ltd. 18) Gujarat State Exports Corporation Ltd. 19) Shantikrupa Estates Pvt. Ltd. 20) Shantikrupa Services Pvt. Ltd. 21) Adani Infrastructure Services Pvt. Ltd. 22) m to M Traders Pvt. Ltd. 23) Netvantage International Ltd. 24) M/s. Adani Textile Industries 25) M/s. Ezy Global 26) M/s. Adani Investments 27) M/s Advance Exports 28) M/s Advance Investments 29) M/s. Intercontinental (India) 30) M/s. Crown International 31) M/s. Shanti Builders 32) Adani Agro Pvt. Ltd. 33) Gujarat Adani Infrastructure Pvt. Ltd. 34) B2B India Pvt. Ltd. 35) Adani Properties Pvt. Ltd. 36) I-Gate India Pvt. Ltd. 37) Dholera Port and Special Economic Zone Ltd. 38) Aaloka Real Estate Pvt. Ltd. 39) Mundra Aviation Limited 40) Gujarat Adani Aviation Pvt. Ltd. 41) Mundra SEZ Utilities Pvt. Ltd.
2.	Key Management Personnel
	<ol style="list-style-type: none"> 1) Shri Gautam S. Adani - Chairman 2) Shri Rajesh S. Adani - MD 3) Shri Pradeep Mittal - WTD
3.	Relatives of Key Management Personnel
	<ol style="list-style-type: none"> 1) Smt. Priti G. Adani 2) Shri Mahasukh S. Adani 3) Smt. Suvarna M. Adani 4) Shri Vinod S. Adani 5) Shri Vasant S. Adani 6) Smt. Lata Mittal

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED

ii) Nature & Volume of Transaction with Related Parties

(Rs. In Crores)

SR. NO.	Particulars	Associate Entities	Key Mgmt Personnel	Relatives of Key Management Personnel
1	Sales (Net of Return)	31.25	-	-
		49.41	-	-
2	Purchase (Net of Return)	328.71	-	-
		468.18	-	-
3	Sale of Investment	0.04	-	-
		32.70	-	-
4	Sale of Fixed Asset	0.32	-	-
		-	-	-
5	Purchase of Fixed Asset	0.04	-	-
		265.27	-	-
6	Purchase of Investments	106.04	0.00	0.00
		95.99	0.00	-
7	Interest - received / (paid)	0.86	-	-
		0.16	-	-
8	Funds given [includes investment in preference shares/equity participation/ business arrangement]	338.47	-	-
		1,069.76	0.08	3.38
9	Funds received [including redemption of Preference share/business arrangement]	83.96	-	-
		1,337.70	0.12	-
10	Service rendered	11.11	-	-
		8.58	-	-
11	Service availed	208.34	-	-
		202.13	-	4.36
12	Profit/(Loss) Sharing/Business Arrangement	-	-	-
		(1.28)	-	-
13	Rent paid	470.63	-	0.03
		0.52	-	0.03
14	Rent received	0.13	-	-
		3.45	-	-
15	Remuneration	-	19.70*	-
		-	11.78*	-
16	Guarantee & Collateral securities (Outstanding facility as on 31-03-2008)	-	-	-
		0.91	-	-
17	Balance Outstanding			
	31 st March,2008 (Due From)	112.19	-	-
	31 st March,2008 (Due To)	165.32	-	0.08
	31 st March,2007 (Due from)	106.18	-	-
	31 st March, 2007 (Due to)	357.49	-	0.08

* The above does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

ADANI ENTERPRISES LIMITED**Disclosure in Respect of Material Related Party Transactions during the year :**

1. Sales (Net of Return) to Mundra Port & Special Economic Zone Ltd. Rs. 31.25 crore (Previous Year Rs. 3.21 crore); Aditya Corpex Pvt. Ltd. Rs. Nil (Previous Year Rs. 17.94 crore); M/s. Intercontinental (India) Rs. Nil (Previous Year Rs. 7.01 crore); Adani Agro Pvt. Ltd. Rs. Nil (Previous Year Rs. 17.65 crore).
2. Purchase (Net of Return) from Aditya Corpex Pvt. Ltd. Rs.123.90 crore (Previous Year Rs. 298.13 crore); Gujarat State Exports Corporation Ltd. Rs.202.80 crore (Previous Year Rs. 96.40 crore); Komal Marketing Pvt. Ltd. Rs.Nil (Previous Year Rs. 47.19 crore).
3. Sale of Investment to Adani Agro Pvt. Ltd. Rs. 0.03 crore (Previous Year Rs. Nil); Mundra Port & Special Economic Zone Ltd. Nil (Previous Year Rs.32.70 crore).
4. Sale of Fixed Asset to Mundra Port & Special Economic Zone Ltd. Rs.0.32 crore (Previous Year Rs.Nil).
5. Purchase of Fixed Asset from M/s Ezy Global Rs.0.04 crore (Previous Year Rs.Nil); Mundra Port & Special Economic Zone Ltd. Rs. Nil (Previous Year Rs. 264.57 crore).
6. Purchase of Investments from Adani Port Infrastructure Pvt. Ltd. Rs.106.04 crore (Previous Year Rs. Nil); Adani Agro Pvt. Ltd. Rs. Nil (Previous Year Rs. 62.15 crore); Adani Logistics Ltd. Rs.Nil (Previous year Rs. 28.99 crore).
7. Interest – received / (paid) from Aloka Real Estate Pvt. Ltd. Rs.0.44 crore (Previous Year Rs.Nil); Mundra Port & Special Economic Zone Ltd. Rs.0.42 crore (Previous Year Rs.Nil); Adani Retail Ltd. Rs.Nil (Previous Year Rs. 0.16 crore).
8. Funds given [includes investment in Preference shares/equity participation/ business arrangement] to Aditya Corpex Pvt. Ltd. Rs. 113.64 crore (Previous Year Rs. 378.42 crore); Adani Port Infrastructure Pvt. Ltd. Rs.138.54 crore (Previous Year Rs.Nil); Aloka Real Estate Pvt. Ltd. Rs.60.00 crore (Previous Year Rs. Nil); M/s. Intercontinental (India) Rs. 0.12 crore (Previous Year Rs. 413.91 crore); Adani Agro Pvt. Ltd. Rs. 2.25 crore (Previous Year Rs. 168.15 crore).
9. Funds received [including redemption of Preference share/business arrangement from Aditya Corpex Pvt. Ltd. Rs. 9.84 crore (Previous Year Rs. 410.68 crore); Advantage Retail Pvt. Ltd. Rs.27.95 crore (Previous Year Rs. Nil); Adani Port Infrastructure Pvt. Ltd. Rs. 32.50 crore (Previous Year Rs. Nil); Adani Properties Pvt. Ltd.Rs.Nil (Previous Year Rs. 203.90 crore); M/s. Intercontinental (India) Rs. 0.12 crore (Previous Year Rs. 490.13 crore); Adani Agro Pvt. Ltd. Rs. 2.25 crore (Previous Year Rs. 165.44 crore).
10. Service rendered to Mundra Port & Special Economic Zone Ltd. Rs. 10.54 crore (Previous Year Rs.7.05 crore).

ADANI ENTERPRISES LIMITED

11. Service availed from Mundra Port & Special Economic Zone Ltd. Rs. 200.47 crore (Previous Year Rs.201.99 crore);
12. Profit/(Loss) Sharing / Business Arrangement M/s. Intercontinental (India) Rs. Nil (Previous Year Loss Rs. 1.28 crore).
13. Rent paid to Mundra Port & Special Economic Zone Ltd. Rs. 470.36 crore (Previous Year Rs.0.01 crore); Adani Properties Pvt. Ltd. Rs.Nil (Previous Year Rs. 0.42 crore).
14. Rent received from Mundra Port & Special Economic Zone Ltd. Rs. 0.08 crore (Previous Year Rs.0.04 crore).
15. Remuneration to Mr. Gautam S Adani Rs.8.09 crore (Previous Year Rs.5.20 crore); Mr.Rajesh S Adani Rs.8.68 crore (Previous Year Rs.5.77 crore); Mr. Pradeep Mittal Rs.2.93 crore (Previous Year Rs.0.81 crore).
16. Guarantee & Collateral securities to Mundra Port & Special Economic Zone Ltd. Rs.Nil (Previous Year Rs.0.91 crore).

ADANI ENTERPRISES LIMITED

7. Pursuant to Accounting Standard (AS 27) – Financial Reporting of Interests in Joint Venture, the disclosures relating to the Joint Venture are as follows : (Rs.in Crores)

Name	Country of Incorporation	Percentage of ownership interest as at 31 st March,2008	Percentage of ownership interest as at 31 st March,2007.
Adani Wilmar Ltd.	India	50.00%	50.00%
Particulars		As at 31 st March,2008	As at 31 st March,2007
I	ASSETS		
1.	Fixed Assets (Including Capital Work In Progress)	278.23	267.20
2.	Investments	2.00	2.01
3.	Current Assets, Loans & Advances		
(a)	Inventories	785.53	310.87
(b)	Sundry Debtors	110.04	79.39
(c)	Cash & Bank Balances	163.18	107.95
(d)	Loans & Advances	36.33	37.86
II	LIABILITIES		
1.	Share Capital	131.94	131.94
2.	Share Application Money	37.76	-
3.	Reserve & Surplus	83.73	52.99
4.	Loan Funds		
(a)	Secured Loans	100.62	127.88
(b)	Unsecured Loans	23.32	-
5.	Deferred Tax Net	37.54	18.77
6.	Current liabilities and Provisions		
(a)	Current Liabilities	958.78	472.82
(b)	Provisions	1.65	0.88
	MISCELLANEOUS EXPENDITURE		-
		2007-08	2006-07
III	INCOME		
1.	Sales And Operating Earnings	3,392.57	2,641.34
2.	Other Income	0.36	0.40
IV	EXPENSES		
1.	Operating Expenses	3,280.73	2,577.17
2.	Finance Expenses	40.27	41.38
3.	Miscellaneous Expenditure Written off	-	0.39
4.	Depreciation	15.34	15.38
	PROFIT FOR THE YEAR BEFORE PRIOR PERIOD ADJUSTMENTS	56.60	7.42
Add:	Prior Period Income / (Expenses)	(0.01)	(0.01)
	PROFIT FOR THE YEAR BEFORE TAXATION	56.58	7.41
Less:	Provision For Taxation	26.37	3.80
Add:	Excess Tax Provision of Earlier years	0.87	0.33
	PROFIT AFTER TAXATION	31.08	3.94
	Surplus brought forward from previous year	17.99	14.04

CONSOLIDATED FINANCIAL STATEMENTS



ADANI ENTERPRISES LIMITED

8. Earning Per Share

(Rs.in Crores)

Particulars	Year ended 31-03-2008	Year ended 31-03-2007
Net Profit after tax available for Equity Shareholders	369.74	173.28
Number of shares used in computing Earning Per Share		
Basic	246486975	237134906
Diluted	261763530	237134906
Earning Per Share (Equity Shares, face value Rs.1/-)		
Basic (in Rs.)	15.00	7.31
Diluted (in Rs.)	14.12	7.31

Dilutive potential equity shares are those which are deemed for the purpose of the computation pertains to the expected conversion of Bonds/Debentures.

9. a) Deferred Tax

(Rs. in Crores)

Particulars	As At 31-03-2008	As At 31-03-2007
Deferred Tax Liability on account of		
(i) Depreciation	55.84	36.71
Total	55.84	36.71
Deferred Tax Assets on Account of		
(i) Leave Encashment	0.47	1.07
(ii) Other	15.98	9.43
Total	16.45	10.50
Net Deferred Tax Liability	39.38	26.21

- b) In accordance with "Accounting Standard 22", the deferred tax Liabilities of Rs. 5.00 Crores (Previous year of Rs. 11.38 Crores) for the year has been recognised in the Profit & Loss Account.
10. In view of the general clarification issued by the Institute of Chartered Accountants of India on Accounting Standard 21 "Consolidated Financial Statement", the consolidated financial statement do not include notes such as quantitative information, forex earnings/expense etc. which are not necessary to present true and fair view of the financial statements.
11. Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

Signature to Schedules " 1 " to " 20 ".

For and on behalf of the Board

DEVANG S DESAI
Chief Financial Officer

GAUTAM S. ADANI
Chairman

PLACE : AHMEDABAD
DATE : 28th May,2008.

PARTHIV PARIKH
Asst.Company Secretary

RAJESH S. ADANI
Managing Director

ADANI ENTERPRISES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

		(Rs. In Crores)	
	Particulars	2007-2008	2006-2007
A	CASH FLOW FROM OPERATIONS		
	Net Profit before tax & extraordinary items	433.26	228.99
	Adjustment for:		
	Depreciation	44.77	16.33
	Income from investments	(0.64)	(0.14)
	Unrealised Exchange Rate Difference	0.00	4.10
	Income from Mutual Fund	(3.89)	(0.83)
	Profit/Loss on sale of Investment	(24.66)	0.00
	Profit/Loss on sale of fixed assets	(0.10)	0.08
	Provision for Bad Debts	19.25	5.00
	Deferred Revenue Expenditure	0.42	0.22
	Share of Minority Interest	(6.25)	(0.64)
	Interest Expense	369.58	370.89
	Interest Income	(144.55)	(121.38)
	Operating Profit before working capital changes	253.93	273.63
	Adjustment for:		
	Trade & other receivables	1021.15	(24.65)
	Inventories	(1382.34)	(1336.04)
	Loans & Advances	(891.56)	(88.33)
	Trade Payables	1149.33	194.92
	Cash generated from operations	(103.43)	(1254.10)
	Direct tax (paid) / refund	583.76	(751.48)
	Net cash from operating activities	(57.43)	(43.16)
		526.33	(794.64)
B	Cash Flow from Investing Activities		
	Additions to fixed assets	(265.40)	(169.29)
	Additions to intangible Assets	(6.99)	(2.91)
	Additions to work in progress	(2181.74)	(922.73)
	Sale of fixed assets	5.63	2.31
	Deferred Revenue Expenditure	(3.38)	(3.24)
	Sale of Investments	30.99	37.21
	Purchase of Investments	(260.65)	(6.92)
	Income from Mutual Fund	3.89	0.83
	Income from Investments	0.64	0.14
	Interest received	128.40	149.13
	Net cash used in Investing Activities	(2548.61)	(915.47)
C	Cash Flow from Financing Activities		
	Proceeds from Share Application Money Received	7.37	0.25
	Proceeds from Share Premium	632.08	0.00
	Proceeds/(repayment) from working capital borrowings (net)	389.27	87.63
	Proceeds from long term borrowings (net)	259.45	2210.86
	Proceeds from short term borrowings (net)	948.29	820.67
	Interest Paid	(354.13)	(381.37)
	Dividend paid	(0.68)	(21.66)
		1881.65	2716.38
D	Others		
	Exchange Reserve	(11.69)	1.46
	Adjustment for Subsidiary and Joint Venture	226.91	(109.06)
		215.22	(107.60)
	Net Increase/(Decrease) in cash & cash equivalents	74.59	898.67
	Cash & cash equivalent at the beginning of the year	1636.64	737.97
	Cash & cash equivalent as at 31/03/2008	1711.23	1636.64

Notes : Cash and Cash equivalents includes Short Term Investments of Rs. 68.24 crores (Previous Year Rs. 5 crores) and 372.99 crores (Previous Year Rs.232.13 crores) which are not available for use by the company (refer schedule 9 to accounts)

As per our attached report of even date.

For **DHARMESH PARIKH & CO.,**
Chartered Accountants

DEVANG S DESAI
Chief Financial Officer

For and on behalf of the Board

GAUTAM S. ADANI
Chairman

D.A. PARIKH
Partner

PARTHIV PARIKH
Asst. Company Secretary

RAJESH S. ADANI
Managing Director

Place : Ahmedabad
Date : 28th May,2008.

Place : Ahmedabad
Date : 28th May,2008.

Financial Information of Subsidiary Companies

(Rs in Crores)

SR. NO.	PARTICULARS	Reporting Currency	CAPITAL	RESERVES	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENT (OTHER THAN SUBSIDIARY)	TURNOVER/ TOTAL INCOME	PROFIT BEFORE TAX	PROVISION FOR TAXATION	PROFIT AFTER TAX	PROPOSED DIVIDEND	Country
1	Adani Global Ltd.	INR	435.82	1.47	437.70	437.70	0.00	0.40	0.35	0.01	0.34	0.38	Mauritius
2	Adani Global Ltd.	USD MN	109.04	0.37	109.51	109.51	0.00	0.10	0.09	0.00	0.08	0.10	India
3	Adani Global Fze	INR	19.59	95.84	340.88	340.88	0.00	1,723.70	17.62	0.00	17.62	0.39	Dubai
4	Adani Global Fze	AED MN	18.00	87.87	313.06	313.06	0.00	1,571.54	16.07	0.00	16.07	0.36	Dubai
5	Adani Global Pte Ltd.	INR	110.32	26.61	1,118.20	1,118.20	0.00	6,002.54	15.16	2.66	12.50	0.00	Singapore
6	Adani Global Pte Ltd.	USD MN	27.60	6.86	279.76	279.76	0.00	1,491.00	3.77	0.67	3.10	0.00	India
7	Adani Virginia Inc.	INR	0.00	6.46	25.30	25.30	0.00	39.80	3.78	1.36	2.42	0.00	U.S.A.
8	Adani Virginia Inc.	USD MN	0.00	1.61	6.33	6.33	0.00	9.89	0.34	0.34	0.59	0.00	India
9	PT Adani Global	INR	39.87	0.55	75.94	75.94	0.00	2.46	0.91	0.26	0.64	0.00	Indonesia
10	PT Adani Global	IDR MN	91,579.23	1,270.35	174,408.45	174,408.45	0.00	5,607.10	2,064.09	607.73	1,456.36	0.00	Indonesia
11	Adani Airfresh Ltd.	INR	45.61	(9.56)	208.78	208.78	0.00	26.40	(24.91)	(7.35)	(17.56)	0.00	India
12	Adani Power Ltd.	INR	702.08	697.82	2,856.91	2,856.91	53.24	0.00	0.00	0.00	0.00	0.00	India
13	Adani Power Maharashtra Ltd.	INR	0.01	0.00	34.84	34.84	0.00	0.00	0.00	0.00	0.00	0.00	India
14	Adani Power Rajasthan Ltd.	INR	0.01	0.00	23.94	23.94	0.00	0.00	0.00	0.00	0.00	0.00	India
15	Adani Power Dahanu Ltd.	INR	0.01	0.00	2.68	2.68	0.00	0.00	0.00	0.00	0.00	0.00	India
16	Adani Agri Logistics Ltd.	INR	92.26	0.00	542.86	542.86	0.00	0.00	0.00	0.00	0.00	0.00	India
17	Vyom Tradeink Pvt Ltd.	INR	0.05	0.29	31.57	31.57	0.00	30.81	0.41	0.13	0.29	0.00	India
18	Adani Shipping Pte Ltd.	INR	0.00	0.09	126.48	126.48	0.00	0.00	0.09	0.01	0.09	0.00	Singapore
19	Adani Shipping Pte Ltd.	USD MN	0.00	0.02	31.64	31.64	0.00	0.00	0.02	0.00	0.02	0.00	India
20	Libra Shipping Pte Ltd.	INR	0.40	1.48	204.42	204.42	0.00	1,436.04	1.66	0.19	1.49	0.00	Singapore
21	Libra Shipping Pte Ltd.	USD MN	0.10	0.37	51.14	51.14	0.00	356.70	0.42	0.05	0.37	0.00	India
22	Adani Habitats Pvt Ltd.	INR	0.05	(0.01)	147.40	147.40	0.00	0.00	(0.00)	0.00	(0.00)	0.00	India
23	Adani Welspun Exploration Ltd.	INR	0.85	0.00	12.72	12.72	0.00	0.00	0.00	0.00	0.00	0.00	India
24	Parsa Kente Collieries Ltd.	INR	0.50	0.00	2.99	2.99	0.00	0.00	0.00	0.00	0.00	0.00	India
25	Adani Mining Pvt Ltd.	INR	0.05	0.00	1.97	1.97	0.00	0.00	0.00	0.00	0.00	0.00	India
26	Adani Energy Ltd.	INR	163.14	27.91	684.67	684.67	0.00	252.52	23.02	5.62	17.40	0.00	India
27	Mitsui Impex Pvt Ltd.	INR	0.05	(0.01)	11.58	11.58	0.00	0.00	0.00	0.00	0.00	0.00	India
28	Adani Infrastructure & Developers Pvt Ltd.	INR	0.05	0.10	1,804.01	1,804.01	0.00	16.96	2.53	0.00	1.82	0.00	India
29	Adani Estates Pvt Ltd.	INR	0.05	0.21	136.78	136.78	0.00	13.42	0.06	0.02	0.04	0.00	India
30	Adani Land Developers Pvt Ltd.	INR	0.05	(0.07)	39.00	39.00	0.00	36.00	(0.07)	0.00	(0.07)	0.00	India
31	Adani Developers Pvt Ltd.	INR	0.90	(0.24)	1,114.13	1,114.13	0.00	0.00	(0.00)	0.07	(0.08)	0.00	India
32	Adani Landscape Pvt Ltd.	INR	0.05	(0.00)	28.65	28.65	0.00	0.00	(0.00)	0.00	(0.00)	0.00	India
33	Columbia Chrome (India) Pvt. Ltd.	INR	0.13	0.07	74.78	74.78	2.54	0.03	0.01	0.01	0.00	0.00	India
34	Swayam Realtors & Traders Ltd.	INR	1.06	0.05	242.29	242.29	236.88	0.00	(0.04)	0.00	(0.05)	0.00	India
35	Shanligan Estate Management Pvt Ltd.	INR	0.05	(0.13)	557.36	557.36	0.00	0.00	(0.01)	0.00	(0.01)	0.00	India
36	Adani Mundra SEZ Infrastructure Pvt Ltd.	INR	0.05	0.11	50.81	50.81	0.00	2.32	0.18	0.10	0.08	0.00	India

As on 31.3.2008 : 1 USD = Rs. 39.97, 1 IDR = Rs. 0.004354, 1 AED = Rs. 10.8814 (FBI Reference rate)
 Avg Rate Year 2007-08 : 1 USD = Rs. 40.2565, 1 IDR = Rs. 0.004395, 1 AED = Rs. 10.9682

