

12th Annual Report 2007- 2008

Board of Directors

Shri Gautam S. Adani, Chairman
 Shri Rajesh S. Adani, Managing Director
 Shri R. K. Gupta, Whole Time Director
 Shri Ameet H. Desai
 Shri B. B. Tandon
 Shri S. K. Tuteja
 Shri Vijay P. Ranchan
 Shri Chinubhai R. Shah

Company Secretary

Shri Digish H. Shah

Auditors

M/s Deloitte Haskins & Sells
 Chartered Accountants
 Ahmedabad

Registered Office

'Shikhar'
 Near Adani House, Mithakhali Six Roads,
 Navrangpura, Ahmedabad - 380 009.

Bankers and Financial Institutions

Allahabad Bank
 Andhra Bank
 Axis Bank Ltd.
 Bank of Baroda
 Bank of India
 Bank of Maharashtra
 Canara Bank
 Corporation Bank
 Development Credit Bank
 ICICI Bank Ltd.
 India Infrastructure Finance Company Limited
 Indian Overseas Bank
 Oriental Bank of Commerce
 Punjab National Bank
 Small Industries Development Bank of India
 Standard Chartered Bank
 State Bank of Hyderabad
 State Bank of India
 State Bank of Mysore
 State Bank of Patiala
 State Bank of Saurashtra
 State Bank of Travancore
 Syndicate Bank
 Tamilnadu Mercantile Co-operative Bank Ltd.
 UCO Bank
 Yes Bank Ltd.

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DIRECTORS' REPORT

Dear members,

Your directors are pleased to present the twelfth annual report together with audited statement of accounts of your company for the financial year ended on 31st March, 2008:

Financial Highlights:

The company is in the process of setting up of phase I, II, III, and IV power projects consisting of 2x330 MWs, 2x330 MWs, 2x660 MWs and 3x660 MWs, respectively aggregating to 4620 MW at Mundra, Gujarat. Since projects of the company are under implementation, the company has not prepared profit and loss account and all the expenses incurred/ to be incurred till the operationalisation of the project will get capitalized.

The company has incurred expenditure of Rs 18009.15 million on various projects during the year. Accordingly, the fixed assets (incl CWIP) of the company has increased from Rs. 6049.24 million as at 31st March, 2007 to Rs. 24058.39 million as at 31st March, 2008.

The total sources of funds (incl shareholders and loan funds) has increased from Rs. 4249.59 million as at 31st March, 2007 to Rs. 24472.34 million as at 31st March, 2008.

Dividend:

The projects of the company are in various stages of its implementation, and hence no operating income has yet been generated. In view of same no dividend can be recommended by the board of directors of the company.

Investment by 3i Power Investments A1 Limited :

3i Power Investments A1 Limited, Mauritius has invested into 5,20,83,333 equity shares and 15,00,00,000 preference shares of the company in October 2007. The total investment of 3i Power Investments A1 Limited in the company has been Rs.9000.00 million.

3i Power Investments A1 Limited had opted for conversion of 15,00,00,000 preference shares into equity shares and accordingly the preference shares held by them were converted into 3,20,59,002 equity shares of Rs.10/- each on 25th April, 2008.

Increase in Paid Up Share Capital:

In order to meet long term financial requirement of various projects of the company, company has issued and allotted 29,13,93,333 equity shares during the year under review. As a result of same the subscribed, issued, and paid up equity share capital of company has increased to Rs. 5,52,08,33,330 divided into 55,20,83,333 equity shares of Rs. 10 each, on 31st March, 2008.

The company has also made further issue of 43,20,59,002 equity shares of Rs. 10/- each after 31st March, 2008 by

way of preferential allotment on 25th April, 2008. The company has also issued 78,73,13,868 equity shares of Rs. 10/- each after 31st March, 2008 by way of bonus on 28th April, 2008. With these allotments the subscribed, issued and paid up equity share capital has reached to Rs. 17,71,45,62,030 divided into 1,77,14,56,203 equity shares of Rs. 10/- each.

Conversion into Public Limited Company:

Your directors are pleased to inform that your company has been converted into a public limited company and accordingly its name has been changed to Adani Power Limited. The necessary approval for the same was obtained from the Registrar of Companies, Gujarat and fresh certificate of incorporation consequent to the change of name was issued by the Registrar of Companies, Gujarat on 12th April, 2007.

Subsidiary Companies :

During the year under review your company has acquired 100% equity shares of Adani Power Maharashtra Limited (erstwhile known as Adani Power Maharashtra Private Limited), Adani Power Dahej Limited (erstwhile known as Adani Power Dahej Private Limited) and Adani Power Rajasthan Limited (erstwhile known as Adani Power Rajasthan Private Limited) and in view of same they have become 100% subsidiary companies of the company. The subsidiary companies of the company namely Adani Power Maharashtra Private Limited, Adani Power Dahej Private Limited, and Adani Power Rajasthan Private Limited were converted into Adani Power Maharashtra Limited, Adani Power Dahej Limited, Adani Power Rajasthan Limited w.e.f. 16th May, 2008, 16th May, 2008 and 29th April, 2008, respectively.

The company is in process of making application to the Ministry of Corporate Affairs, Government of India, New Delhi under section 212(8) of the Companies Act 1956, seeking approval for exemption for publishing annual accounts of subsidiary companies (i.e Adani Power Maharashtra Limited, Adani Power Rajasthan Limited and Adani Power Dahej Limited) along with the annual accounts of the company. The company shall instead publish audited annual accounts of the company and consolidated audited annual accounts as per accounting standard 21 issued by the Institute of Chartered Accountants of India (ICAI), without attaching audited annual accounts of the subsidiary companies. The company shall make available related information/ accounts of subsidiary companies as and when requested by any investor of company or its subsidiary companies. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at the registered office of the company and its subsidiary companies. In

case company doesn't get the above approval, it shall publish annual audited accounts of the company along with complete annual audit accounts of its subsidiary companies.

Maiden Initial Public Offering :

In order to part fund various projects of the company and its subsidiaries, your company is planning to tap the capital market by way of initial public offer of 29,69,48,000 equity shares. The company has filed Draft Red Herring Prospectus for same with Securities and Exchange Board of India, Bombay Stock Exchange Ltd. and National Stock Exchange Ltd. on 2nd May, 2008.

Progress in Implementation of Various Projects

The progress of various projects of your company is as under :-

I. Power Project at Mundra

The company is setting up coal based 4620 MW power plant in 4 phases comprising Phase I: 660 (2 x 330) MW, Phase II: 660 (2 x 330) MW, Phase III: 1320 (2 x 660) MW, Phase IV: 1980 (3 x 660) MW at a total estimated cost of Rs 191060.00 million.

Land: Land for all the four projects at Mundra is under possession upto 293-88-10 hectares.

Supply and Service Contracts: Orders have been placed as under:

- a. Phase I and II are being implemented on package basis. While the entire BTG package has been awarded to one contractor, the BoP has been awarded to various contractors.
- b. Supply contract of power plant based on super critical technology has been awarded for Phase III & IV to one contractor.
- c. Erection contracts for development of power plant have been executed for Phase III and IV with one contractor.

Fuel: Agreements with Adani Enterprises Ltd., holding company have been executed for all the four phases for the total coal requirement. Adani Enterprises Ltd., through its subsidiary company in Indonesia has acquired exclusive mining rights in three coal blocks.

Off Take Arrangement: By two separate agreements of 1000 MW each the company has secured power purchase agreements with Gujarat Urja Vikas Nigam Limited for total supply of 2000 MW.

The company has also bid for supply of 1420 MW power under power purchase agreements to Haryana Power Generation Corporation Limited.

Debt Tie-Up Status: All the above projects are funded by way of debt (incl. subordinate debt of 5%) equivalent to 80% of total project cost and balance by way of equity. The total debt requirement for Phases I,II and III has been fully tied-up and documents executed with the lenders.

As regards Phase IV, out of total debt requirement of Rs.71680.00 million, State Bank of India has under written debt of Rs.53800.00 million.

II. Capacity Addition Through Subsidiary Companies:

a. Adani Power Maharashtra Limited (APML):

APML is setting up 1980 MW domestic coal based power generation project at Tiroda, Dist. Gondia, Maharashtra in two phases comprising Phase I with capacity of 2 X 660 MW and Phase II with capacity of 1 X 660 MW. The total estimated cost of both phases is Rs.92630.00 million.

Land: 204.28 hectares land has been leased by MIDC for power plant.

Supply and service contract: Contract for BTG package has been awarded.

Fuel: Coal mines have been allocated at Lohara West and extension at Chandrapur District by Ministry of Coal, Government of India.

Off Take Arrangement: The company has also bid for supply of 1541 MW to MSEDCL.

Debt Tie-Up Status: Both of the above projects are funded by way of debt (incl. subordinate debt of 5%) equivalent to 80% of total project cost and balance by way of equity.

The company has received sanction of Rs.28000.00 million from various lenders out of total debt requirement of Rs. 52500.00 million for Phase I. State Bank of India has provided underwriting arrangement of Rs 16300.00 million out of total debt requirement of Rs.21620.00 million for Phase II.

b. Adani Power Rajasthan Limited (APRL):

Proposed to set-up 1320 MW domestic coal based power generation project at Kawai, Dist. Baran, Rajasthan at a total estimated cost of Rs. 58890.00 million.

- Adani Enterprises Limited, holding company has entered into MOU with Rajasthan Government for the proposed project and Rajasthan Government has assured to provide support for the project in securing land, fuel allocation, etc.
- The project is proposed to be funded by way of debt (incl. subordinate debt of 5%) equivalent to 80% of total project cost and balance by way of equity. Out of total debt requirement of Rs.58890.00 million, the

company has secured sanction of underwriting arrangement of Rs.35400.00 million from State Bank of India.

c. Adani Power Dahej Limited (APDL):

Proposed to set-up 1980 MW domestic coal based power generation project at Dahej, Dist. Bharuch, Gujarat at a total estimated cost of Rs. 88810.00 million.

- This project will utilize imported coal as primary fuel for its operations. The company has entered into long-term coal supply arrangements for importing coal with Adani Enterprises Ltd., holding company.
- The project is proposed to be funded by way of debt (incl. subordinate debt of 5%) equivalent to 80% of total project cost and balance by way of equity. Out of total debt requirement of Rs.88810.00 million, the company has secured in principle sanction of underwriting arrangement of Rs. 53200.00 million from State Bank of India.

Power Scenario :

Indian Power Sector

The economy of the country is growing at brisk pace of 8-10%, backed by buoyancy in the industrial and services sector. Strong infrastructure support is crucial to sustain this growth. However, the power scenario does not appear very encouraging, with the country facing an energy deficit of 9.8% and peak deficit of 16.6%. The power scenario in some states is even worst, with Maharashtra facing an unprecedented power shortage, resulting in load shedding of 8 to 10 hours in some parts of the state.

The grim scenario is a consequence of the abysmally slow progress in capacity addition. During the earlier three five year plans, less than 50% of the capacity addition targets were achieved. India has added an average of around 19 GW to its capacity addition target in the 9th and 10th plan periods. This is miniscule, as compared with China's capacity addition of around 200 GW over last three years. Though both the countries faced a similar situation until about a decade ago, China, unlike India, was quick to assess the power situation and took corrective measures. Though the Indian government has been setting higher targets each year, the achievement has been far from satisfactory. Due to unreliable supply and inadequate infrastructure, the per capita consumption and energy in India is at 618 KWH, which is much lower compared to countries like Canada, USA, Australia, Japan, France, Germany, UK, Russia, Brazil, China. The Government of India's vision of "Power for All" by 2012 will require aggressive growth and increased private sector participation. The Government has been taking several initiatives to give thrust to the growth and reform of the

sector and also to make electricity reach the rural areas of the country.

Current economic performance reflects a healthy trend based on increased consumption, investment and exports. Over the next five years, this growth is expected to continue. This will enable power sector to drive an unprecedented growth. The power industry is at a threshold of major growth cycle along the complete value chain in view of the fact that GDP is expected to grow at over 8-10% pa. The reforms make the power sector more attractive to private sector investment.

After failing to attract adequate investments in the last two of five year plans and introduction of Electricity Act, 2003 which has liberalized and delicensed power generation sector, have created investor interest back in the sector. Over 50,000 MW of additional generation capacity has already been tied up for completion during the 11th plan and another 20000 to 30000 MW are in different stages of approval. The Government has set a target of adding 78,577 MW during the current plan with a total investment of over Rs. 10 lacs crores. The ultra mega power project (UMPP) scheme, which promises to add 4000 MW per project, has also taken off. The planned addition of power generation capacity of over 78577 MW during the 11th plan has been designed to realize the goal of providing power to all by 2012.

Power Scenario - Gujarat

The power requirements of the state are met by the power generated by state utility, IPPs, state's share in the power generated by the central sector power stations and purchases from other states. Total existing capacity in the state as on 31st March, 2008 was 11,051.99 MW out of which, 52% is owned by State Utilities, 26% by private sectors and 22% was generated through share in the central power stations. The power generating capacity of Gujarat has been doubled in the last decade. Inspite of such a significant increase, the state is facing power shortages. The approx. shortages for the period April 2007 to March 2008 were 16.20% in terms of energy and 26.70% in terms of peak load. The reason may be lack of optimum utilization of existing generation capacity, large scale theft, skewed tariff structure etc.

Power Scenario- Maharashtra

The power requirements of the state are met by the power generated by state utility, IPPs, state's share in the power generated by the central sector power stations and purchases from other states. Total existing capacity in the state as on 31st March, 2008 was 19,582.80 MW out of which, 53% is owned by state utilities, 20% by private sectors and 27% was generated through share in the central power stations. The state is facing power shortages.

The approx. shortages for the period April 2007 to March 2008 were 18.30% in terms of energy and 26.40% in terms of peak load.

Power Scenario – Rajasthan

The power requirements of the state are met by the power generated by state utility, IPPs, state's share in the power generated by the central sector power stations and purchases from other states. Total existing capacity in the state as on 31st March, 2008 was 6,242.85 MW out of which, 64% is owned by state utilities, 8% by private sectors and 28% was generated through share in the central power stations. The state is facing power shortages and the approx. shortages for the period April 2007 to March 2008 were 2.40% in terms of energy and 12.80% in terms of peak load.

Insurance:

Your company has obtained necessary project insurance from reputed insurance companies, which provides a comprehensive insurance cover during the project construction phase including delayed start up cover and advance loss of profit.

Dematerialization of Equity Shares:

The company has entered into necessary agreement with National Securities Depository Limited (NSDL) to facilitate the shareholders of the company to avail dematerialization facility. The ISIN no. is INE814H01011.

Directors:

Shri Rajesh S. Adani, Shri S. K. Tuteja, Shri Anil S. Ahuja, Shri Vijay P. Ranchan and Shri Chinubhai R. Shah, were appointed as additional directors of the company, w.e.f. 12th June, 2007, 17th September, 2007, 1st October, 2007, 12th December, 2007 and 25th April, 2008 respectively. Pursuant to section 260 of Companies Act, 1956, these directors hold office upto the date of ensuing annual general meeting and being eligible have offered themselves for re-appointment (except for Shri Anil S. Ahuja who has resigned on 30th April, 2008).

Shri Sanjay Gupta, Shri R. K. Madan, Shri P. K. Mittal and Shri Anil S. Ahuja, resigned as directors of the company w.e.f. 12th December, 2007, 31st March, 2008, 31st March, 2008 and 30th April, 2008 respectively.

Shri R. K. Gupta's tenure as Managing Director expired on 15th March, 2008 after office hours. He has been appointed as Whole Time Director of the company for a period of 2 years w.e.f. 16th March, 2008, on same remuneration and other terms as he enjoyed as Managing Director.

Shri Rajesh S. Adani has been appointed as Managing Director of the company w.e.f. 1st April, 2008, for a period

of 5 years without remuneration. Both Shri R. K. Gupta's and Shri Rajesh S. Adani's appointment has also been approved by the members of the company at their extra ordinary general meeting held on 25th April, 2008.

As per section 256 of the Companies Act, 1956, Shri Gautam S. Adani will retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment.

Audit Committee:

Your company has an existing audit committee consisting of 3 directors including non executive directors. The scope and constitution of the committee meets the requirement of clause 49 of the listing agreement of stock exchanges.

Share Transfer and Shareholder/Investor Grievance Committee:

Your company has also constituted a share transfer and shareholders/investor grievance committee consisting of 3 directors including non executive directors. The scope and constitution of the committee meets the requirement of clause 49 of the listing agreement of stock exchanges.

Directors' Responsibility Statement:

Pursuant to the requirements under 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your directors hereby confirm the following: -

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. 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 at the end of the financial year;
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts on a going concern basis.

Auditors:

The company's statutory auditors Deloitte Haskins & Sells, Ahmedabad, Chartered Accountants, will retire on the conclusion of forthcoming twelfth annual general meeting and being eligible, have expressed their willingness for re-appointment.

Fixed Deposits:

The company has neither accepted nor renewed any fixed deposits pursuant to provisions of section 58A of the Companies Act, 1956.

Auditors' Report:

Notes forming part of the accounts are self-explanatory and therefore, do not call for any comments.

Human Resources:

Your company strongly believes in the power of people and has always recognized and motivated the employees of the company. Your company is fortunate to have a team of highly motivated and target oriented team of professionals. The company continues to recruit the best of talent in the field for its ongoing projects. The company continued in its endeavor to impart appropriate and relevant training to its employees to equip them to meet the challenges lying ahead.

Personnel:

The particulars of employees as required by section 217 (2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules, 1975 as amended is provided at **Annexure – A** to this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The statement containing the information as per section 217(1)(e) of the Companies Act read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 with regard to conservation of energy in form A is not provided since the same is not applicable to company.

The company has implemented world renowned SAP system. Since the projects of the company are in various

stages of implementation the information on conservation of energy is not appended.

During the year there was no earning in foreign exchange. The foreign exchange outgo during the year under review amounted to Rs. 6391.98 million (previous year Rs. 1252.76 million) mainly on account of payment to the overseas plant and machinery suppliers.

Acknowledgement:

Your directors acknowledge with deep sense of appreciation the co-operation received from Government of India (including Ministry of Power, Ministry of Finance, Ministry of Environment and Forests, Ministry of Coal, Central Electricity Authority, Central Electricity Regulatory Commission, etc.), State Governments of Gujarat, Maharashtra, Rajasthan, State Electricity Boards, etc.

Your directors also convey their gratitude to the shareholders, various financial institutions, banks for the continued support and confidence shown in the company. The directors also appreciate the contribution of various contractors, suppliers of machinery, and various consultants who have been instrumental in the present progress of implementation of projects of the company.

Your directors place on record their sincere appreciation for the efforts and contribution put in by all the employees of the company.

And last but not the least your directors also acknowledge the sincere efforts and co-operation extended by the statutory auditors of the company.

For & on behalf of the board of directors

Date : 27th May, 2008
Place : Ahmedabad

Gautam S. Adani
Chairman

Annexure A to Directors' Report

A. Information as per section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975

No.	Name	Age (years)	Designation	Gross remunerations (Rs. In million)	Qualification	Date of joining	Previous employment
1	Mr. R. K. Gupta	63	Managing Director	3.45	BE Electrical	11.3.06	Rajasthan State Electricity Board
2	Mr. Vineet Jain	37	Vice President	2.50	BE - Mechanical	4.12.06	Jindal Power Limited
3	Mr. Govind Ram Modi	63	General Manager	2.04	BE Mechanical MIE Mechanical	13.5.06	Rajasthan Rajya Vidyut Utpadan Nigam Limited
4	Mr. Asharam Sharma	56	General Manager	3.00	B.E. - Civil	17.11.06	Rajasthan Rajya Vidhyut Utpadan Nigam Limited

B. Employed for a part of the financial year and were in receipt of remuneration for any part of the financial year at a rate which in aggregate was not less than Rs. 2,00,000/ per month.

No.	Name	Age (years)	Designation	Gross remunerations (Rs. In million)	Qualification	Date of joining	Previous employment
1	Mr.Keshav Saran	66	President	4.48	B Sc (Hons) MBA Marketing LLB	2.7.07	Power Finance Corporation
2	Mr.Subrato Trivedi	58	President	2.20	BE - Mechanical	13.8.07	NTPC Limited
3	Mr.O. P. Kalia	58	Sr. Vice President	2.71	B Sc (Hons)- Mechanical Masters in Mechanical Engineering	25.08.07	Reliance Energy Limited
4	Mr.Dev P. Joshi	51	Vice President	1.90	BE Electrical	14.08.07	NTPC Limited
5	Mr.Harji Lal Saini	55	Vice President	0.53	B Sc Engineering-Mech	1.2.08	BHEL
6	Mr.K.C.Panigrahy	61	Vice President	1.25	B Sc(Engineering) Mech.	1.11.07	BHEL
7*	Mr. Laxmi N. Agrawal	47	Vice President	0.56	BE – Electrical M Tech	13.7.07	Reliance Energy Limited
8	Mr. Dwarka Lal	59	General Manager	1.62	BE Electrical & Diploma in Management	8.8.07	Rajasthan State Electricity Board
9	Mr. Jatinder K. Bhatnagar	52	Asst. Vice President	1.70	B Tech - Mechanical	23.8.07	NTPC Limited
10	Mr. P. Paravata Gouda	51	General Manager	0.89	B Tech- Civil	27.11.07	NTPC Limited

No.	Name	Age (years)	Designation	Gross remunerations (Rs. In million)	Qualification	Date of joining	Previous employment
11	Mr. Kush Singh	43	General Manager	1.09	BE Mechanical	30.10.07	NTPC Limited
12	Mr. Vijaysimha Kasi	47	General Manager	1.33	BE Electrical	27.9.07	NTPC Limited
13	Mr. Vinodkumar Bhatnagar	51	General Manager	0.15	BE Electrical	11.3.08	NTPC Limited
14	Mr. Bansi Dhar De	60	Asst. Vice President	1.33	BE Mechanical	19.10.07	NTPC Limited
15	Mr. Dinesh K. Singh	54	Asst. Vice President	1.25	B Tech-Civil	20.10.07	NTPC Limited
16	Mr. Rajinder P. Mittal	57	Asst. Vice President	1.22	M Sc, AMIE, LLB	18.08.07	Reliance Energy Limited
17*	Mr. Sanjeeb Kumar Sarkar	46	Project Coordinator	1.22	B.E.Mechanical	15.03.07	Jindal Stainless Ltd.
18	Mr. Bishnu P. Nanda	48	General Manager	0.58	B Sc Engineering-Electrical	21.1.08	NTPC Limited
19	Mr. Subimal P. Shome	53	General Manager	0.57	BE Mechanical	15.01.08	NTPC Limited

* Employees have resigned on 30.09.2007

Auditors' Report To the members of Adani Power Limited

1. We have audited the attached balance sheet of **Adani Power Limited** as at 31st March, 2008 and also the cash flow statement for the year ended on that date, annexed thereto. 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. No profit and loss account has been prepared since the company is yet to commence its revenue operations and the necessary details as per part II of schedule VI to the Companies Act, 1956 have been disclosed in schedule 6 as "Project Development Expenditure".
2. We 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 provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together 'Order') issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of the books;
 - c. The balance sheet and cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the balance sheet and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representation 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 is 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;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with 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:
 - (i) in the case of the balance sheet of the state of the affairs of the company as at 31st March, 2008;
 - (ii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For Deloitte Haskins & Sells,
Chartered Accountants

(Gaurav J. Shah)
Partner

Membership No.35701

Place : Ahmedabad
Date : 27th May, 2008

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

1. The nature of the company's business / activities during the year is such that the requirements of clause (ii), (viii), (xiii) and (xiv) of paragraph 4 of the order are not applicable to the company.
2. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The company has a programme of physical verification of its fixed assets over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.
(c) The company has not disposed off a substantial part of fixed assets during the year.
3. (a) The company had granted an unsecured loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 60 crores and the year-end balance of the loan granted to such party was Rs. Nil.
(b) According to the information and explanations given to us, the rate of interest and other terms and conditions on which the loan has been given to the company covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
(c) In respect of the above-stated loan given to the company, the repayment of principal and interest were regular during the year.
(d) There is no overdue amount of loan granted to the company covered in the register maintained under section 301 of the companies Act, 1956.
(e) The Company has not taken loans secured/ unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of fixed assets. There has not been any purchase of inventory or sale of goods or services by the company during the year. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal controls.
5. In respect of transactions that need to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
(a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been so entered;
(b) The transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public during the year.
7. In our opinion, the company has an adequate internal audit system commensurate with its size and nature of its business.
8. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31st March 2008 for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
9. The company has not commenced any commercial activities during the year and accordingly, provisions of clause (x) of Para 4 are not applicable.

10. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions. The company has not issued any debentures.
11. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
13. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were raised.
14. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
15. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
16. The company has not issued any debentures during the year.
17. The company has not raised money by public issue during the year.
18. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For Deloitte Haskins & Sells,
Chartered Accountants

Place : Ahmedabad
Date : 27th May, 2008

(Gaurav J. Shah)
Partner
Membership No.35701

Balance Sheet as at 31st March, 2008

Description	Schedule	(In Rupees)	
		As at 31 st March, 2008	As at 31 st March, 2007
SOURCES OF FUNDS			
SHAREHOLDERS' FUND			
Share Capital	1	7,020,833,330	2,606,900,000
Share Application Money		360,599,000	200,000,000
Reserves & Surplus	2	6,979,166,622	-
		14,360,598,952	2,806,900,000
LOAN FUNDS			
Secured Loans	3	10,111,742,028	1,442,685,557
TOTAL		24,472,340,980	4,249,585,557
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	85,966,786	11,935,769
Less: Accumulated Depreciation		11,199,295	1,493,634
Net Block		74,767,491	10,442,135
Capital Work in Progress	5	22,219,907,219	5,515,790,366
Project Development Expenditure	6	1,624,519,009	475,750,607
Construction Materials at Site	7	139,198,171	47,255,815
		24,058,391,890	6,049,238,923
Investments	8	832,269,090	10,382
Current Assets, Loans and Advances			
Cash and Bank Balances	9	1,917,849,982	497,046,788
Loans and Advances	10	1,750,742,104	11,667,742
		3,668,592,086	508,714,530
Less: Current Liabilities and Provisions	11		
Current Liabilities		4,090,616,810	2,307,382,338
Provisions		5,915,540	1,064,270
		4,096,532,350	2,308,446,608
Net Current Assets		(427,940,264)	(1,799,732,078)
Miscellaneous Expenditure	12	9,620,264	68,330
(To the extent not written off or adjusted)			
		24,472,340,980	4,249,585,557
Significant Accounting Policies and Notes on Accounts	13		
The accompanying schedules 1 to 13 form an integral part of these accounts			

As per our attached report of even date

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

PLACE : AHMEDABAD
DATE : 27th May, 2008

For ADANI POWER LIMITED

GAUTAM S. ADANI (CHAIRMAN)
RAJESH S. ADANI (MANAGING DIRECTOR)
AMEET H. DESAI (DIRECTOR)
DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May, 2008

Schedules forming part of the Balance Sheet as at 31st March, 2008

	As at 31st March, 2008 (In Rupees)	As at 31st March, 2007 (In Rupees)
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORIZED		
2,50,00,00,000 Equity Shares of Rs. 10/- Each	25,000,000,000	25,000,000,000
50,00,00,000 - (As at 31 st March, 2007 - NIL) Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- Each	5,000,000,000	-
	<u>30,000,000,000</u>	<u>25,000,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
552,083,333 (As at 31 st March, 2007- 2,60,690,000) Fully Paid up Equity Shares of Rs. 10/- Each	5,520,833,330	2,606,900,000
150,000,000 (As at 31 st March, 2007 - Nil) Fully Paid up 0.01% Cumulative Compulsorily Convertible Participatory Preference Share of Rs. 10/- Each	1,500,000,000	-
	<u>7,020,833,330</u>	<u>2,606,900,000</u>

Note :

Out of above equity shares, 500,000,000 (As at 31st March, 2007 - 2,60,690,000) Equity Shares are held by Adani Enterprises Ltd., the holding company and its nominees.

Subsequent to the balance sheet date and as approved in the extra-ordinary general meeting of the company held on 25th April, 2008, the above Preference Shares have been converted into 32,059,002 fully paid-up Equity Shares of Rs. 10 each at a premium of Rs. 36.78 per Equity Share.

SCHEDULE - 2
RESERVES AND SURPLUS
Share Premium

As per last balance sheet	-	-
Add :Received during the year	6,979,166,622	-
	<u>6,979,166,622</u>	<u>-</u>

SCHEDULE - 3
SECURED LOANS

From Banks		
Term Loans	5,559,583,984	567,800,000
Bills Discounted under Letter of Credit (To be converted into term loan)	4,552,158,044	874,885,557
	<u>10,111,742,028</u>	<u>1,442,685,557</u>

The above borrowings are secured by first ranking pari pasu charge

- (a) through execution of Indenture of mortgage in respect of all immovable and movable properties, both present and future.
- (b) through execution of memorandum of hypothecation in respect of all movable properties including all revenues, bank balances, receivables, rights, titles, interest in assets , letter of credit and uncalled capital.
- (c) through pledge of 10,14,81,000 equity shares of Adani Power Limited through execution of pledge agreement by Adani Enterprises Ltd.
- (d) through corporate guarantee provided by Mundra Port and Special Economic Zone Ltd. for Rs. 1,350,000,000

Schedules forming part of the Balance Sheet as at 31st March, 2008
SCHEDULE - 4
FIXED ASSETS

(In Rupees)

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As at 01.04.2007	Additions during the year	Deductions during the year	As at 31.03.2008	For the year	Deductions during the year	As at 31.03.2008	As at 31.03.2007
Plant and Machinery	-	20,476,997	-	20,476,997	263,205	-	20,213,792	-
Computers	4,477,562	23,794,901	-	28,272,463	2,431,802	-	25,467,849	4,104,750
Office Equipments	1,114,697	14,117,574	-	15,232,271	1,749,031	-	13,284,470	915,927
Furniture and Fixtures	1,283,458	5,626,646	-	6,910,104	4,636,878	-	1,609,975	620,207
Vehicles	5,060,052	10,014,899	-	15,074,951	624,745	-	14,191,405	4,801,251
TOTAL	11,935,769	74,031,017	-	85,966,786	9,705,661	-	74,767,491	10,442,135
PREVIOUS YEAR	-	11,935,769	-	11,935,769	1,493,634	-	10,442,135	-

Schedules forming part of the Balance Sheet as at 31st March, 2008

	As at 31st March, 2008 (In Rupees)	As at 31st March, 2007 (In Rupees)
SCHEDULE - 5		
CAPITAL WORK IN PROGRESS		
Land and Site Development	2,714,973,933	2,675,652,569
Building and Civil Works	1,638,035,766	314,326,877
Furniture and Fittings	6,934,721	2,345,488
Plant and Machinery (Including in Transit Rs. 492,983,945) (As at 31 st March, 2007 - Rs.1,177,342,048)	8,953,642,956	1,463,199,605
Electrical Installation	238,766,108	6,950,861
Railway Sidings	1,652,209	196,420
Desalination Plant	28,725,673	-
Transmission Line (Including in Transit Rs. 31,180,938) (As at 31 st March, 2007 - Nil)	1,335,280,452	-
Coal Mine	79,896,573	-
SAP - Software and Implementation	11,434,577	-
Advances for Capital Expenditure		
Advance to Contractors / Suppliers (Includes Rs. 183,094,000 (As at 31 st March, 2007 - Rs. 50,894,000) due from a Company under the same management as defined in Section 370 (1-B) - Adani Mundra SEZ Infrastructure Pvt. Ltd.) (Maximum amount due during the year - Rs.183,094,000 (As at 31 st March, 2007 - Rs. 50,894,000))	7,210,564,251	1,053,118,546
	22,219,907,219	5,515,790,366
SCHEDULE - 6		
PROJECT DEVELOPMENT EXPENDITURE		
Salary and Allowances	147,569,068	17,040,798
Contribution to Provident and other Funds	7,488,686	4,939,031
Welfare Expenses	46,950,103	6,036,291
Administration and Office Expenses	71,963,129	19,005,403
Project Office Expenses	19,872,025	-
Communication Expenses	5,206,527	1,382,324
Interest and Finance Charges	866,876,747	155,642,463
Professional Fees	380,550,070	228,954,477
Stationery & Courier Expenses	3,870,122	1,011,519
Statutory Expenses	27,132,889	24,727,993
Auditor's Remuneration	872,581	-
Traveling Expenses	53,010,137	18,927,310
Sub Lease Rent for Land	764,896	-
Vehicle Running Expenses	27,919,336	2,512,918
Transmission Line Expenses	4,188,419	-
Project Insurance	52,707,021	12,071,437
Depreciation	11,337,373	1,487,751
Provision for Taxes - Current Tax	48,756,816	6,166,761
- Fringe Benefit Tax	4,246,257	-
Miscellaneous Expenses	4,342,812	845,597
	1,785,625,014	500,752,073
OTHER INCOME		
Gain on Sale of Securities / Treasury Bills	28,112,249	-
Interest (Tax deducted at source Rs. 23,335,304.00) (As at 31 st March, 2007 Rs. 5,269,157.00)	116,614,614	23,481,466
Sale of Tender Document	4,020,000	1,520,000
Other Income	12,359,142	-
	161,106,005	25,001,466
	1,624,519,009	475,750,607

Schedules forming part of the Balance Sheet as at 31st March, 2008

			As at 31st March, 2008 (In Rupees)	As at 31st March, 2007 (In Rupees)
SCHEDULE - 7				
CONSTRUCTION MATERIALS AT SITE				
Steel, Cement and Other Materials at Site			139,198,171	47,255,815
			<u>139,198,171</u>	<u>47,255,815</u>
SCHEDULE - 8				
INVESTMENTS				
Long Term Investment	Number	Face value		
Unquoted	of shares/ units	per share/ unit		
Investment in Subsidiary Companies				
Investment in Adani Power Maharashtra Limited (Formerly Adani Power Maharashtra Pvt. Ltd.)	10000 (Nil)*	10.00	100,000	-
Share Application Money Pending Allotment			273,272,594	-
Investment in Adani Power Dahej Limited (Formerly Dahej Power Private Limited)	10000 (Nil)	10.00	100,000	-
Share Application Money Pending Allotment			26,300,000	-
Investment in Adani Power Rajasthan Limited	10000 (Nil)	10.00	100,000	-
Non Trade Investments				
National Savings Certificate			11,699	10,382
Current Investments				
Other Investments				
DWS Liquid Plus Fund (Units Purchased - 28043297) (Units Sold - 4992660)	23050637	10.00	230,845,215	-
DWS Insta Cash Fund (Units Purchased - 10005014) (Units Sold - 9980040)	24974	10.00	250,242	-
DWS Money Plus Fund (Units Purchased - 30104248)	30104248	10.00	301,289,340	-
			<u>832,269,090</u>	<u>10,382</u>
* Previous year's figures are in brackets.				
Aggregate value of unquoted Investments				
Cost			832,269,090	10,382
Aggregate value of quoted Investments				
Cost			-	-
Market Value			-	-

Current Investments purchased and sold during the Year:

	As at 31st March, 2008		
	Face Value	Units	Cost
Treasury Bills	100	550,000,000	5,455,216,500
Govt. of India Securities	100	18,500,000	1,852,453,153
State Government Securities	100	14,000,000	1,492,640,832
Mutual Fund:			
DWS Money Plus Fund- Institutional Plan	10	24,979,517	250,000,000
DWS Insta Cash Plus Fund Super Institutional Plan	10	64,870,259	650,000,000
DWS Insta Cash Plus Fund	10	9,980,538	100,000,000

Schedules forming part of the Balance Sheet as at 31st March, 2008

	As at 31st March, 2008 (In Rupees)	As at 31st March, 2007 (In Rupees)
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash on Hand	571,854	56,680
BALANCES WITH SCHEDULED BANKS IN:		
Current Accounts	1,494,356,086	7,490,108
Fixed Deposits	343,000,000	394,500,000
Margin Money Deposit Against Bank Guarantee	77,500,000	95,000,000
BALANCES WITH NON-SCHEDULED BANK IN:		
Current Account (Maximum Balance outstanding during the period in current account with Bank of China is Rs.7,117,009.00 As at 31 st March, 2007 - Rs. Nil)	2,422,042	-
	<u>1,917,849,982</u>	<u>497,046,788</u>
SCHEDULE - 10		
LOANS AND ADVANCES		
Unsecured, Considered Good		
Interest Receivable	11,908,938	-
Prepaid Expenses	39,406,699	3,628,983
Advance to Adani Enterprises Ltd. (Holding company)	1,500,000,000	-
Advance to Adani Power Rajasthan Ltd. (Subsidiary company)	613,938	-
Security Deposits	172,264,568	2,054,894
Advance Recoverable in cash or in kind or for value to be received	26,547,961	4,514,191
Advance Tax including Tax Deducted Source (Net of Provision)	-	1,469,674
	<u>1,750,742,104</u>	<u>11,667,742</u>
SCHEDULE - 11		
CURRENT LIABILITIES		
Bills Payable under Letter of Credit	15,968,990	-
Interest Accrued but not Due	80,040,211	766,956
Sundry Creditors (See Note 4 of schedule 9)	3,878,612,333	2,306,178,524
Others	115,995,276	436,858
	<u>4,090,616,810</u>	<u>2,307,382,338</u>
PROVISIONS		
Provision for Employee Benefits	3,392,753	1,064,270
Provision for Taxation (Net of Advance Tax)	2,522,786	-
	<u>5,915,539</u>	<u>1,064,270</u>
	<u>4,096,532,349</u>	<u>2,308,446,608</u>
SCHEDULE - 12		
MISCELLANEOUS EXPENDITURE		
(To The extent not written off or adjusted)		
Preliminary Expenses	9,620,264	68,330
	<u>9,620,264</u>	<u>68,330</u>

SCHEDULE – 13**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****(A) Significant accounting policies****1) Basis of preparation of financial statements**

The financial statements are prepared under the historical cost convention on accrual and going concern basis and in compliance with the accounting standards issued by the Institute of Chartered Accountants of India and in accordance with the Generally Accepted Accounting Principles (GAAP) and provisions of the Companies Act, 1956.

2) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles 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 financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3) Fixed assets

Fixed assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses, if any. Borrowing costs directly attributable to qualifying assets / capital projects are capitalized and included in the cost of fixed assets.

4) Expenditure during construction period

Expenditure related to and incurred during implementation of capital projects is included under “Capital Work in Progress” or “Pre-operative Expenditure” as the case may be. The same will be allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

5) 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.
- 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) Assets costing less than Rs.5,000/- are written off in the year of purchase.

6) Leases

The company’s significant leasing arrangements are in respect of operating leases for office premises, residential facilities for employees and guest houses. The leasing arrangement range between 11 months and three years, and are renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent expenses under “Pre-operative Expenditure”.

7) Investments

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. Current Investments are carried at lower of cost or fair value.

8) Borrowing costs

Borrowing costs that are attributable to the acquisition / 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.

9) Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

10) Foreign exchange transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.

- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

11) Employee benefits

i) Gratuity:

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employee through group gratuity scheme of Life Insurance of India. The company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using projected unit credit method considering discounting rate relevant to government securities at the balance sheet date.

ii) Provident fund:

Retirement benefits in the form of provident fund and family pension fund, which are defined benefit contribution schemes, are charged to the preliminary & preoperative expenditure account for the period, in which the contributions to the respective funds accrue till the commencement of commercial production.

iii) Leave encashment:

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

12) Taxes on income

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period.

13) Miscellaneous expenditure (to the extent not written off or adjusted)

Preliminary expenses will be amortised over a period of 5 years from the commencement of commercial activities.

14) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(B) Notes on accounts

1. Contingent liabilities not provided for in respect of:

(Rupees)

Particulars	As at 31 st March, 2008	As at 31 st March,2007
Estimated amount of contracts remaining to be executed on capital account and not provided for	121,938,553,802	11,234,140,000
Guarantees issued by the company's bankers on behalf of the company	3,140,000,000	1,500,000,000
Letter of credit facilities provided by banks	4,944,200,741	6,480,600,000
Bonds submitted to Development Commissioner on behalf of Government of India	22,250,000,000	Nil

2. The Government of India (GOI) has, vide its letter dated 19th December 2006, granted approval to the company's proposal for development, operation and maintenance of the sector specific Special Economic Zone(SEZ) for power over an area of 293-88-10 hectares of the company's land at Village: Tunda & Siracha, Taluka Mundra, Gujarat for generation of 2640 MW. Hence all the benefits available to SEZ developer under Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 and amendment made their under are available to the company.

3. The company has not commenced any commercial activities, hence, profit & loss account has not been prepared for the period upto 31st March, 2008. However, necessary details as per schedule-VI part II of the Companies Act, 1956 to the extent applicable have been disclosed under the head "Pre-operative Expenditure and Capital Work in Progress" which shall be capitalised on completion of the project.

4. The pre-operative expenditure includes managing director's remuneration:-

(Rupees)

	As at 31 st March, 2008	As at 31 st March, 2007
Managerial Remuneration to the Managing Director	3,428,800	1,740,000
The Above is Inclusive of :		
(a) Salary and allowances	2,745,000	1,370,000
(a) Estimated value of benefits in cash or in kind provided to Managing Director	435,000	140,000
(b) Contribution to provident and other funds	186,600	170,000
(c) Contribution to gratuity fund	60,000	60,000

5. Auditors Remuneration includes:-

(In Rupees)

	As at 31 st March, 2008	As at 31 st March, 2007
Audit fees	400,000	280,000
Certification work	108,867	40,000
Total	508,867	320,000

6. Leases:-

(In Rupees)

Future Minimum Lease Payments	As at 31 st March, 2008	As at 31 st March, 2007
Not later than one Year	13,377,258	2,680,000
Later than one year and not later than five years	77,000	-

7. There are no micro, small and medium enterprises, to whom the company owes dues, which are outstanding as at the balance sheet date. The above information 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.

8. The company's activities during the period revolve around setting up of its power project. Considering the nature of company's business and operation, there is/are no reportable segments (business and/or geographical) in accordance with the requirements of accounting standard 17 – 'Segment Reporting', issued by the Institute of Chartered Accountants of India (ICAI).

9. The company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under AS-15 (revised):

	Particulars	Gratuity
I.	Reconciliation of opening and closing balances of defined benefit obligation	
	Liability at the beginning of the year	508,738.00
	a) Current service cost	842,969.00
	b) Interest cost	110,164.00
	c) Expected return on plan assets	-
	e) Net actuarial losses (gain) recognised in period.	893,828.00
	Liability at the end of the Year	2,355,698.00
II.	Reconciliation of opening and closing balances of the fair value of plan assets	
	Plan assets at the beginning of the year, at fair value	305,643.00
	Expected return on plan assets	164,706.00
	Contributions	1,753,179.00
	Actuarial gain/(loss) on plan assets	(164,706.00)
	Plan assets at the end of the year, at fair value	2,058,822.00
III.	Reconciliation of the present value of defined benefit obligation and fair value of plan assets	
	Obligations at the end of the year	2,355,698.00
	Plan assets at the end of the year, at fair value	2,058,822.00
	Liability recognized in balance sheet as on 31 st March, 2008	296,876.00
IV.	Gratuity cost for the year	
	Current service cost	842,969.00
	Interest cost	110,164.00
	Expected return on plan assets	(164,706.00)
	Actuarial gain or Loss	1,058,534.00
	Net gratuity cost	1,846,961.00
V.	Actuarial assumptions	
	a) Discount rate (per annum)	8.00%
	b) Expected rate of return on plan assets	8.00%
	c) Annual increase in salary cost	6.00%

To fund the obligations under the gratuity plan, contributions are made to Life Insurance Corporation of India.

As this is the first year of implementation of AS- 15 (Revised 2005), necessary disclosures for the previous years have not been made.

The liability for leave encashment and compensated absences as at the year end is Rs. 3,167,054.

10. Related party disclosures as required by accounting standard – 18 issued by the Institute of Chartered Accountants of India:-

(a) List of related parties and relationship

- | | |
|--|---|
| (I) Related parties where control exists:
Subsidiaries | Adani Power Maharashtra Ltd.
(W.e.f. 11 th April, 2007) (Formerly known as
Adani Power Maharashtra Pvt. Ltd.)
Adani Power Dahej Ltd.
(W.e.f. 15 th December, 2007)
(Formerly known as Dahej Power Pvt. Ltd.)
Adani Power Rajasthan Ltd.
(W.e.f. 10 th March, 2008) (Formerly known as Adani Power
Rajasthan Pvt. Ltd.) |
| (II) Other related parties: | |
| (i) Holding company: | Adani Enterprises Limited |
| (ii) Fellow subsidiaries : | Adani Global FZE
Adani Wilmar Ltd.
Adani Energy Ltd.
Adani Mining Private Limited
PT Adani Global
Adani Mundra SEZ Infrastructure Pvt. Ltd.
(Formerly known as Adicorp Mundra SEZ
Infrastructure Pvt. Ltd.) |
| (iv) Enterprise controlled by
Key management personnel/
Relatives of key
management personnel : | Aloka Real Estate Pvt. Ltd.
Mundra Port and Special Economic Zone Ltd.
Adani Properties Pvt. Ltd.
Adani Port Infrastructure Pvt. Ltd.
Adani DAV Public School
Ezy Global |
| (III) Key management personnel : | Shri Gautam S. Adani (Chairman)
Shri R. K .Gupta (Managing Director)
(Till 15 th March, 2008)
(Whole time Director w.e.f. 16 th March, 2008)
Shri Rajesh S. Adani (Managing Director
w.e.f .1 st April, 2008) |

(b) Transactions with related parties

Description	Name of related party	Nature of relationship	Value of transactions		Balance as at	
			Year ended 31 st March, 2008	Year ended 31 st March, 2007	31 st March, 2008	31 st March, 2007
Advance for purchase of Steel	Adani Global FZE	Fellow Subsidiary	38,603,065	14,273,268	-	14,273,268 Dr.
Advance for constructing employee township	Adani Mundra SEZ Infrastructure Pvt. Ltd.	Fellow Subsidiary	132,200,000	50,894,000	183,094,000 Dr.	50,894,000 Dr.
Sharing of common expenses	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	-	6,620,000	-	-
Bank guarantee and Commission	Adani Enterprises Ltd.	Holding Company	13,503,008	8,490,000	2,014,679 Cr.	10,738,150 Cr.
L.C. charges			-	9,105,752	-	-
Purchase of bitumen			-	1,632,628	-	-
Advance as per the terms of coal supply agreement entered into			8,998,150	5,037,322	2,676 Dr.	2,676 Dr.
Share application money			1,500,000,000	-	-	-
			2,553,699,000	2,797,400,000	360,599,000 Cr.	200,000,000 Cr.
	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	-	68,000,000	-	-
Rent	Adani Properties Pvt. Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	704,757	588,755	-	-

12TH ANNUAL REPORT 2007-2008

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31 st March, 2008	Year ended 31 st March, 2007	31 st March, 2008	31 st March, 2007
	Adani Wilmar Limited	Fellow Subsidiary	809,975	67,200	111,991 Cr.	67,200 Cr.
	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	-	435,000	-	-
Purchase of desalination plant	Adani Wilmar Ltd.	Fellow Subsidiary	-	26,653,037	-	-
Electricity charges	Adani Wilmar Ltd.	Fellow Subsidiary	313,099	-	80,475 Cr.	-
Lease rent, infrastructure usage charges & land charges	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	4703,423,942	2,645,708,892	1,575,700,438 Cr.	2,046,247,261 Cr.
Storage charges, Terminal handling charges, etc.	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	3,970,765	-	3,970,765 Cr.	-
Loans to companies	Adani Energy Limited	Fellow Subsidiary	200,000,000	-	-	-
	Aloka Real Estate Pvt. Ltd.	Enterprise Controlled by Relatives of Key Management Personnel	600,000,000	-	-	-
Interest on loan from companies	Adani Energy Limited	Fellow Subsidiary	3,289,917	-	-	-
	Aloka Real Estate Pvt. Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	4,412,184	-	-	-

12TH ANNUAL REPORT 2007-2008

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31 st March, 2008	Year ended 31 st March, 2007	31 st March, 2008	31 st March, 2007
Loan given	Adani Power Rajasthan Ltd.	Subsidiary	613,938	-	613,938 Dr.	-
Fuel expenses	Adani Energy Limited	Fellow Subsidiary	68,096	12,231	9,736 Cr.	12,231 Cr.
Reimbursement of expenses	PT Adani Global Adani Mining Private Limited	Fellow Subsidiary Fellow Subsidiary	511,518 500,000	- -	- 500,000 Cr.	- -
Furniture purchase	Ezy Global	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	414,901	-	-	-
Contribution towards Development/building fund	Adani DAV Public School	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel	200,000	40,000	-	-
Salary & allowances	Sri R. K. Gupta	Key Management Personnel	3,428,800	1,740,000	-	-

11. Foreign currency transactions:-

(Rupees)

Particulars	As at 31 st March, 2008	As at 31 st March, 2007
(a) C.I.F. Value of Imports Capital Goods	7,260,298,451	1,260,730,000
(b) Expenditure in Foreign Currency Payment for Erection Works	47,549,215	-
Professional and Consultation Charges	6,077,711	1,960,000
Usance Interest and Other Charges	65,437,747	120,000
Travelling Expenses	10,106,085	4,050,000
Project Office Expenses	26,367,581	-
Other Payments	3,200,385	-

 12. The company does not use derivative instruments to hedge its foreign currency exposure.
 Foreign currency exposure not hedged by derivative instruments as at 31st March, 2008:

(Rupees)

Particulars	As at 31 st March, 2008	As at 31 st March, 2007
(a) Capital Imports	1,868,356,393	1,265,380,000
(b) Bills payable	15,949,014	-
(c) Loan under letter of credit	4,552,158,044	3,810,000
(d) Usance Interest accrued but not due	75,745,772	-

13. Previous year figures have been regrouped and rearranged wherever necessary to confirm to this year's classification.

Signature to Schedule 1 to 13

As per our attached report of even date
For DELOITTE HASKINS & SELLS
 Chartered Accountants

GAURAV J. SHAH
 PARTNER

For ADANI POWER LIMITED
GAUTAM S. ADANI (CHAIRMAN)
RAJESH S. ADANI (MANAGING DIRECTOR)
AMEET H. DESAI (DIRECTOR)
DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May 2008
PLACE : AHMEDABAD
DATE : 27th May 2008

Cash Flow Statement for the period ended on 31st March, 2008

	Year ended 31 st March, 2008	Year ended 31 st March, 2007
(In Rupees)		
Cash flow from operating activities	-	-
Cash flow from investing activities		
Purchase of fixed assets	(74,031,017)	(10,100,000)
Capital work in progress	(16,362,527,415)	(2,765,961,211)
Purchase of investments	(532,386,114)	
Investments in subsidiaries	(299,872,594)	-
Advance to holding company	(1,500,000,000)	-
Taxes paid	(23,583,156)	
Net cash used in investing activities	(18,792,400,296)	(2,776,061,211)
Cash flow from financing activities		
Proceeds from issue of equity shares	9,893,099,952	2,597,400,000
Proceeds from issue of preference shares	1,500,000,000	-
Increase in share application money	160,599,000	101,500,000
Long term borrowings	8,669,056,471	571,608,000
Miscellaneous expenditure	(9,551,934)	(70,000)
Net cash generated from financing activities	20,213,203,489	3,270,438,000
Net increase in cash and cash equivalents	1,420,803,193	494,376,789
Cash and cash equivalents at beginning of year	497,046,789	2,670,000
Cash and cash equivalents at end of year	1,917,849,982	497,046,789
	1,420,803,193	494,376,789
Note to cashflow statement:	-	
Cash and cash equivalents as at the end of the year:		
Cash and bank balances	<u>1,917,849,982</u>	<u>497,046,789</u>
	1,917,849,982	497,046,789

Previous figures have been restated wherever necessary, to conform to this period's classification.

The cash flow statement has been prepared under the 'Indirect Method' set out in accounting standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

As per our attached report of even date

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

PLACE : AHMEDABAD
DATE : 27th May 2008

For ADANI POWER LIMITED

GAUTAM S. ADANI (CHAIRMAN)
RAJESH S. ADANI (MANAGING DIRECTOR)
AMEET H. DESAI (DIRECTOR)
DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May 2008

STATEMENT PURUSANT TO SECTION 212 (1) (e) OF THE COMPANIES ACT, 1956

Particulars	Adani Power Maharashtra Limited (APML)	Adani Power Rajasthan Limited (APRL)	Adani Power Dahej Limited (APDL)
1. Financial year of the subsidiary companies	31.3.2008	31.3.2008	31.3.2008
2. Extent of interest in subsidiary companies	100%	100%	100%
3. Net aggregate amount of the profits of the subsidiary companies as far as it concerns the members of the company	NA	NA	NA
a. Dealt with in the company's accounts			
1. for the financial year of the subsidiary			
2. for the previous year of the subsidiary since it became the subsidiary of the company			
b. Not dealt with in the company's accounts			
1. for the financial year of the subsidiary			
2. for the previous year of the subsidiary since it became the subsidiary of the company			
4. Statement of changes under section 212(5) of the Companies Act, 1956 from	NA	NA	NA
a. Fixed assets, capitalized assets & WIP			
b. Investments			
c. Monies lent			
d. Monies borrowed / term loan for its ongoing project from the banks/ financial institutions	NA	NA	NA

STATEMENT PURUSANT TO SECTION 212 (8) OF THE COMPANIES ACT, 1956

(In Rupees)

Name of subsidiary company	Adani Power Maharashtra Limited (APML)	Adani Power Rajasthan Limited (APRL)	Adani Power Dahej Limited (APDL)
Paid up capital	1,00,000/-	1,00,000/-	1,00,000/-
Reserves and Surplus (adjusted for debit balance in P&L account, wherever applicable)	-	-	-
Total Assets (Fixed Assets+Current Assets)	42,41,11,717/-	23,94,21,910/-	2,36,15,351/-
Total Liabilities (Debts + current liabilities + Provision)	2,50,44,610/-	23,87,21,910/-	3,42,992/-
Investments	-	-	-
Turnover	-	-	-
Profit/(Loss) before tax	-	-	-
Provision for taxation	-	-	-
Profit/(Loss) after tax	-	-	-
Proposed dividend	-	-	-

Consolidated Auditors' Report

To the Board of Directors Adani Power Limited

We have audited the attached consolidated balance sheet of Adani Power Limited (the Company) and its subsidiaries (collectively referred to as "the Group"), as at 31st March 2008 and also the consolidated cashflow statement for the year ended on that date, annexed thereto. No consolidated profit and loss account has been prepared since the Group is yet to commence its revenue operations and the necessary details as per Part II of schedule VI to the Companies Act, 1956 have been disclosed in Schedule 6 as "Project Development Expenditure". These financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of subsidiary companies Adani Power Maharashtra Limited (Formerly Adani Power Maharashtra Private Limited), Adani Power Dahej Limited (Formerly Adani Power Dahej Private Limited) and Adani Power Rajasthan Limited (Formerly Adani Power Rajasthan Private Limited) whose financial statements reflect total assets of Rs. 614,596,044 as at 31st March 2008 and net cash in flows amounting to Rs. 3,025,395 for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion is based solely on the reports of the other auditors.

We report that the consolidated financial statements have been prepared by the Adani Power Limited's management in accordance with the requirements of Accounting Standard (AS) 21 Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

Based on our audit and on consideration of report of other auditors on separate financial statements and on the other financial information of the components, and to the best of the information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of consolidated balance sheet, of the state of affairs of the Group as at 31st March, 2008; and
- (b) in the case of consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For Deloitte Haskins & Sells,
Chartered Accountants

(Gaurav J. Shah)
Partner
Membership No.35701

Place : Ahmedabad
Date : 27th May, 2008

Consolidated Balance Sheet as at 31st March, 2008

	Schedule	(In Rupees) As at 31 st March, 2008
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital	1	7,020,833,330
Share Application Money		410,599,000
Reserves & Surplus	2	<u>6,979,166,622</u>
		14,410,598,952
Loan Funds		
Secured Loans	3	10,111,742,028
		<u>24,522,340,980</u>
APPLICATION OF FUNDS		
Fixed Assets		
Gross Block	4	183,508,473
Less: Accumulated Depreciation		<u>12,545,019</u>
Net Block		170,963,454
Capital Work in Progress	5	22,274,444,883
Project Development Expenditure	6	2,039,455,445
Construction Materials at Site	7	<u>149,054,693</u>
		24,633,918,475
Investments	8	532,396,496
Current Assets, Loans and Advances		
Cash and Bank Balances	9	1,920,975,377
Loans and Advances	10	<u>1,762,446,471</u>
		3,683,421,848
Less: Current Liabilities and Provisions		
Current Liabilities	11	4,354,415,540
Provisions		<u>6,226,321</u>
		4,360,641,861
Net Current Assets		(677,220,013)
Miscellaneous Expenditure	12	33,246,022
(To the extent not written off or adjusted)		
		<u>24,522,340,980</u>
Significant Accounting Policies and Notes on Accounts	13	

As per our attached report of even date
For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

PLACE : AHMEDABAD
DATE : 27th May, 2008
For ADANI POWER LIMITED
GAUTAM S. ADANI (CHAIRMAN)
RAJESH S. ADANI (MANAGING DIRECTOR)
AMEET H. DESAI (DIRECTOR)
DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May, 2008

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2008

(In Rupees)
As at 31st March, 2008

SCHEDULE - 1
SHARE CAPITAL
Authorised

2,50,00,00,000 Equity Shares of Rs. 10/- Each	25,000,000,000
50,00,00,000 - (As at 31 st March, 2007 - NIL) Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- Each	5,000,000,000
	<u>30,000,000,000</u>

Issued, Subscribed and Paid up

552,083,333 (As at 31 st March, 2007- 2,60,690,000) Fully Paid up Equity Shares of Rs. 10/- Each	5,520,833,330
150,000,000 (As at 31 st March, 2007 - Nil) Fully Paid up 0.01% Cumulative Compulsorily Convertible Participatory Preference Share of Rs. 10/- Each	1,500,000,000
	<u>7,020,833,330</u>

Notes :

Out of the above Equity Shares, 500,000,000 (As at 31st March 2007 - 2,60,690,000) Equity Shares are held by Adani Enterprises Ltd., the Holding Company and its Nominees.

Subsequent to the balance sheet date and as approved in the Extra-ordinary General Meeting of the Company held on 25th April, 2008, the above Preference Shares have been converted into 32,059,002 Fully Paid-up Equity Shares of Rs.10 each at a premium of Rs. 36.78 per Equity Share.

SCHEDULE - 2
RESERVES AND SURPLUS
Share Premium

As per last balance sheet	
Add :Received during the year	6,979,166,622
	<u>6,979,166,622</u>

SCHEDULE - 3
LOANS
SECURED LOANS

From Banks	
Term Loans	5,559,583,984
Bills Discounted under Letter of Credit	4,552,158,044
	<u>10,111,742,028</u>

The above borrowings are secured by First ranking *pari passu* charge -

- (a) through execution of Indenture of mortgage in respect of all immovable and movable properties both present and future.
- (b) through execution of memorandum of hypothecation in respect of all movable properties including all revenues, bank balances, receivables, rights, titles, interest in assets, letter of credit and uncalled capital.
- (c) through pledge of 10,14,81,000 equity shares of Adani Power Limited through execution of Pledge Agreement by Adani Enterprises Ltd.
- (d) through corporate guarantee provided by Mundra Port and Special Economic Zone Ltd. for Rs. 1,350,000,000.

Schedules forming part of the consolidated balance sheet as at 31st March, 2008
SCHEDULE - 4
FIXED ASSETS

(In Rupees)

	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As at 01.04.2007	Additions during the year	Deductions during the year	As at 31.03.2008	For the year	On deductions during the year	As at 31.03.2008	As at 31.03.2008
Leasehold Land	-	64,789,130	-	64,789,130	654,434	-	654,434	64,134,696
Building	-	8,921,530	-	8,921,530	21,393	-	21,393	8,900,137
Plant and Machinery	-	39,111,647	-	39,111,647	399,185	-	399,185	38,712,462
Office Equipments	1,114,697	15,621,831	-	16,736,528	1,842,544	-	2,041,314	14,695,214
Computers	4,477,562	25,121,163	-	29,598,725	2,449,635	-	2,822,447	26,776,278
Furniture and Fixtures	1,283,458	6,288,538	-	7,571,996	5,026,200	-	5,689,451	1,882,545
Vehicles	5,060,052	11,718,865	-	16,778,917	657,994	-	916,795	15,862,122
TOTAL	11,935,769	171,572,704	-	183,508,473	11,051,385	-	12,545,019	170,963,454

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2008

(In Rupees)

As at 31st March, 2008
SCHEDULE - 5
CAPITAL WORK IN PROGRESS

Leasehold Land and Site Development	2,714,973,933
Building and Civil Works	1,638,035,766
Furniture and Fittings	6,934,721
Plant and Machinery (Including in Transit Rs.492,983,945) (As at 31 st March, 2007 - Rs.1,177,342,048)	8,953,642,956
Electrical Installation	238,766,108
Railway Sidings	1,652,209
Desalination Plant	28,725,673
Transmission Line (Including in Transit Rs. 31,180,938) (As at 31 st March, 2007 - NIL)	1,335,280,452
Coal Mine	79,896,573
SAP - Software and Implementation	11,434,577
Mining Cost	817,635
Site Office	2,137,956

Advances for Capital Expenditure

Advances to Contractors / Suppliers (Includes Rs. 183,094,000 (As at 31 st March, 2007 - Rs. 50,894,000) due from a Company under the same management as defined in Section 370 (1-B) - Adani Mundra SEZ Infrastructure Pvt. Ltd.) (Maximum amount due during the year - Rs.183,094,000 (As at 31 st March, 2007 - Rs. 50,894,000))	7,262,146,324
	22,274,444,883

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2008

(In Rupees)

As at 31st March, 2008
SCHEDULE - 6
PROJECT DEVELOPMENT EXPENDITURE

Salary and Allowances	149,755,183
Contribution to Provident and Other Funds	7,730,847
Welfare Expenses	49,528,488
Administration and Office Expenses	82,486,568
Project Office Expenses	19,872,025
Project Inauguration Expenses	32,943,801
Communication Expenses	5,206,527
Miscellaneous Expenses	4,615,604
Professional Fees	388,722,099
Stationery and Courier Expenses	4,044,202
Statutory Expenses	27,133,489
Auditor's Remuneration	942,806
Travelling Expenses	57,384,827
Sub Lease Rent for Land	764,896
Vehicle Running Expenses	28,567,814
Transmission Line Expenses	4,188,419
Project Insurance	52,707,021
Interest and Finance Charges	979,030,711
Underwriting Commission	238,652,640
Depreciation	12,683,097
Provision for Taxes - Current Tax	48,756,816
- Fringe Benefit Tax	4,903,569
	2,200,621,449

OTHER INCOME

Gain on Sale of Securities / Treasury Bills	28,112,249
Interest (Tax deducted at source Rs. 23,335,304.00) (As at 31 st March, 2007 Rs. 5,269,157.00)	116,614,614
Sale of Tender Document	4,080,000
Other Income	12,359,141
	161,166,004
	2,039,455,445

SCHEDULE - 7
CONSTRUCTION MATERIALS AT SITE

Steel, Cement and Other Materials at Site	149,054,693
	149,054,693

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2008

(In Rupees)

SCHEDULE - 8
As at 31st March, 2008

	Number of units	Face value per unit	
INVESTMENTS			
Long Term Investments			
Unquoted			
National Savings Certificate			11,700
Current Investments			
Other Investments - Mutual Funds			
DWS Liquid Plus Fund (Units Purchased - 28043297) (Units Sold - 4992660)	23050637	10	230,845,215
DWS Insta Cash Fund (Units Purchased - 10005014) (Units Sold - 9980040)	24974	10	250,242
DWS Money Plus Fund (Units Purchased - 30104248)	30104248	10	301,289,339
			<u>532,396,496</u>
Aggregate value of unquoted Investments Cost			532,396,496
Aggregate value of quoted Investments Cost			-
Market Value			-

Current Investments purchased and sold during the Year:

	Face Value	Units	Cost
Treasury Bills	100	550,000,000	5,455,216,500
Govt. of India Securities	100	18,500,000	1,852,453,153
State Government Securities	100	14,000,000	1,492,640,832
Mutual Fund:			
DWS Money Plus Fund- Institutional Plan	10	24,979,517	250,000,000
DWS Insta Cash Plus Fund Super Institutional Plan	10	64,870,259	650,000,000
DWS Insta Cash Plus Fund	10	9,980,538	100,000,000

(In Rupees)

As at 31st March, 2008
SCHEDULE - 9
CASH AND BANK BALANCES

Cash on Hand	692,180
BALANCES WITH SCHEDULED BANKS IN:	
Current Accounts	1,497,361,155
Fixed Deposits	343,000,000
Margin Money Deposit against Bank Guarantee	77,500,000
BALANCES WITH NON-SCHEDULED BANK IN:	
Current Account	2,422,042
((Maximum Balance outstanding during the year in current account with Bank of China is Rs.7,117,009.00 (As at 31 st March, 2007 - Rs. Nil))	
	<u>1,920,975,377</u>

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2008

(In Rupees)

As at 31st March, 2008
SCHEDULE - 10
LOANS AND ADVANCES
Unsecured and Considered Good

Interest Receivable	11,908,938
Prepaid Expenses	39,406,699
Advance to Adani Enterprises Ltd. (Holding Company)	1,500,000,000
Security Deposits	172,293,368
Advance Recoverable in cash or in kind or for value to be received	38,812,466
Balances with Sales Tax Authorities	25,000
	1,762,446,471

SCHEDULE - 11
CURRENT LIABILITIES

Bills Payable under Letter of Credit	15,968,990
Interest Accrued but not due on Loans	80,040,211
Sundry Creditors (Refer Note 9 of (B) Notes to Accounts)	4,142,309,957
Others	116,096,382
	4,354,415,540

PROVISIONS

Provision for Employee Benefits	3,652,659
Provision for Taxation (Net of Advance Tax)	2,573,662
	6,226,321
	4,360,641,861

SCHEDULE - 12
MISCELLANEOUS EXPENDITURE

Preliminary Expenses (To the extent not written off or adjusted)	33,246,022
	33,246,022

SCHEDULE – 13**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED ACCOUNTS****(A) Significant Accounting Policies****1) Basis of preparation of consolidated financial statements**

The financial statements are prepared under the historical cost convention on accrual and going concern basis and in compliance with the accounting standards issued by the Institute of Chartered Accountants of India and in accordance with the Generally Accepted Accounting Principles (GAAP) and provisions of the Companies Act, 1956.

2) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles 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 financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3) Principles of consolidation

The consolidated financial statements comprise the financial statements of Adani Power Limited and its wholly owned subsidiaries.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets and liabilities after eliminating intra-group balances/transactions in full.

These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

4) Fixed assets

Fixed assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses, if any. Borrowing costs directly attributable to qualifying assets / capital projects are capitalized and included in the cost of fixed assets.

5) Project development expenditure

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same will be allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

6) 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.
- 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) Assets costing less than Rs.5,000/- are written off in the year of purchase.
- iv) Leasehold land will be amortized over a period of lease.

7) Leases

The company's significant leasing arrangements are in respect of operating leases for office premises, residential facilities for employees and guest houses. The leasing arrangement range between 11 months and three years, and are renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent expenses under "Project Development Expenditure".

8) Investments

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. Current investments are carried at lower of cost or fair value.

9) Borrowing costs

Borrowing costs that are attributable to the acquisition / 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.

10) Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

11) Foreign exchange transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

12) Employee benefits**i) Gratuity:**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employee through group gratuity scheme of Life Insurance of India. The company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using projected unit credit method considering discounting rate relevant to Government Securities at the balance sheetdate.

ii) Provident fund:

Retirement benefits in the form of provident fund and family pension fund, which are defined benefit contribution schemes, are charged to the preliminary & preoperative expenditure account for the period, in which the contributions to the respective funds accrue till the commencement of commercial production.

iii) Leave encashment:

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

13) Taxes on income

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period.

14) Miscellaneous expenditure (to the extent not written off or adjusted)

Preliminary expenses will be amortised over a period of 5 years from the commencement of commercial activities

15) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(B) Notes on accounts
1. Details of subsidiaries:-

The consolidated financial statements comprise the financial statements of the parent company, Adani Power Ltd. (APL) and the following wholly owned subsidiaries (together referred to as 'Group') :

Name of the subsidiary	Date of becoming subsidiary	Country of Incorporation
Adani Power Maharashtra Ltd. (formerly known as Adani Power Maharashtra Pvt. Ltd.)	11 th April, 2007	India
Adani Power Dahej Ltd. (formerly known as Dahej Power Pvt. Ltd.)	15 th December, 2007	India
Adani Power Rajasthan Ltd. (formerly known as Adani Power Rajasthan Pvt. Ltd.)	10 th March, 2008	India

2. Since the parent – subsidiary relationship for the group has come into existence during the period under review, the consolidated financial statements are prepared for the first time for the year ended on 31st March 2008. Under the circumstances, figures for the previous year have not been given.

3. Contingent liabilities not provided for in respect of:

(In Rupees)

Particulars	As at 31st March, 2008
Estimated amount of contracts remaining to be executed on capital account and not provided for	162,228,515,747
Guarantees issued by the company's bankers on behalf of the company	3,140,000,000
Letter of credit facilities provided by banks	4,944,200,741
Bonds submitted to Development Commissioner on behalf of Government of India	22,250,000,000

4. The Government of India (GOI) has, vide its letter dated 19th December 2006, granted approval to the company's proposal for development, operation and maintenance of the sector specific Special Economic Zone (SEZ) for power over an area of 293-88-10 hectares of the company's land at Village: Tunda & Siracha, Taluka Mundra, Gujarat for Generation of 2640 MW. Hence all the benefits available to SEZ developer under Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 and amendment made thereunder are available to the company.

5. The group has not commenced any commercial activities, hence, profit & loss account has not been prepared for the period upto 31st March, 2008. However, necessary details as per schedule-VI Part II of the Companies Act, 1956 to the extent applicable have been disclosed under the head "Capital Work in Progress and Project Development Expenditure" which shall be capitalised on completion of the project.

6. The project development expenditure includes Managing Director's Remuneration:-

(In Rupees)

	As at 31st March, 2008
Managerial remuneration to the Managing Director	3,428,800
The above is inclusive of :	
(a) Salary and allowances	2,745,000
(b) Estimated value of benefits in cash or in kind provided to Managing Director	435,000
(c) Contribution to provident and other funds	186,600
(d) Contribution to gratuity fund	60,000

7. Auditors remuneration includes:-

(In Rupees)

	As at 31st March, 2008
Audit fees	464,607
Certification work	111,676
Total	576,283

8. Leases:-

(In Rupees)

Future minimum lease payments	As at 31st March, 2008
Not later than one year	1,63,70,898
Later than one year and not later than five years	86,88,525
Later than five years	50,47,770

9. There are no micro, small and medium enterprises, to whom the group owes dues, which are outstanding as at the balance sheet date. The above information 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.
10. The group's activities during the year revolve around setting up of its power project. Considering the nature of company's business and operation, there is/are no reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', issued by the Institute of Chartered Accountants of India (ICAI).
11. The company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under AS-15 (revised):

(In Rupees)

Particulars	Gratuity
I. Reconciliation of opening and closing balances of defined benefit obligation	
Liability at the beginning of the Year	508,738
a) Current service cost	842,969
b) Interest cost	110,164
c) Expected return on planed assets	-
e) Net actuarial losses (gain) recognised in period.	893,828
Liability at the end of the year	2,355,698
II. Reconciliation of opening and closing balances of the fair value of plan assets	
Plan assets at the beginning of the year, at fair value	305,643
Expected return on plan assets	164,706
Contributions	1,753,179
Actuarial gain/(loss) on plan assets	(164,706)
Plan assets at the end of the Year, at fair value	2,058,822
III. Reconciliation of the present value of defined benefit obligation and fair value of plan assets	
Obligations at the end of the year	2,355,698
Plan assets at the end of the year, at fair value	2,058,822
Liability recognized in balance sheet as on 31 st March, 2008	296,876
IV. Gratuity cost for the year	
Current service cost	842,969
Interest cost	110,164
Expected return on plan assets	(164,706)
Actuarial gain or loss	1,058,534
Net gratuity cost	1,846,961
V. Actuarial assumptions	
a) Discount rate (per annum)	8.00%
b) Expected rate of return on plan assets	8.00%
c) Annual increase in salary cost	6.00%

To fund the obligations under the gratuity plan, contributions are made to Life Insurance Corporation of India.

As this is the first year of implementation of AS- 15 (Revised 2005), necessary disclosures for the previous years have not been made.

The liability for leave encashment and compensated absences as at the year end is Rs. 3,288,337.

12. Related party disclosures as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India:-

(a) List of related parties and relationship

(I) Related parties:

(i) Holding company:

Adani Enterprises Limited

(ii) Fellow subsidiaries :

Adani Global FZE

Adani Wilmar Ltd.

Adani Energy Ltd.

Adani Mining Private Limited

PT Adani Global

Adani Mundra SEZ Infrastructure Pvt. Ltd.

(Formerly known as Adicorp Mundra SEZ Infrastructure Pvt. Ltd.)

(iii) Enterprise controlled by key management personnel/relative of key management personnel :

Mundra Port and Special Economic Zone Ltd.

Adani Properties Pvt. Ltd.

Aloka Real Estate Pvt. Ltd.

Adani Port Infrastructure Pvt. Ltd.

Adani DAV Public School

Ezy Global

(II) Key management personnel :

Shri Gautam S. Adani (Chairman)

Shri R. K .Gupta (Managing Director)

(Till 15th March, 2008)

(Whole time Director (w.e.f. 16th March, 2008)

Shri Rajesh S. Adani (Managing Director

w.e.f. 1st April, 2008)

(b) Transactions with Related Parties

Description	Name of related party	Nature of relationship	Value of transactions Year ended 31st March, 2008	Balance as at 31st March, 2008
Advance for Purchase of Steel	Adani Global FZE	Fellow Subsidiary	38,603,065	-
Advance for Constructing Employee Township	Adani Mundra SEZ Infrastructure Pvt. Ltd.	Fellow Subsidiary	132,200,000	183,094,000 Dr.
Sharing of Common Expenses	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	-	-
Bank Guarantee and Commission	Adani Enterprises Ltd.	Holding Company	13,503,008	2,014,679 Cr.
L.C. Charges			-	-
Purchase of Bitumen			8,998,150	2,676 Dr.
Advance as per the terms of Coal Supply Agreement entered into			1,500,000,000	1,500,000,000 Dr.
Share Application Money			2,553,699,000	360,599,000 Cr.
Rent	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	-	-
	Adani Properties Pvt. Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	704,757	-
	Adani Wilmar Limited	Fellow Subsidiary	809,975	111,991 Cr.
	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	-	-
Purchase of Desalination Plant	Adani Wilmar Ltd.	Fellow Subsidiary	-	-

Description	Name of related party	Nature of relationship	Value of transactions year ended 31 st March, 2008	Balance as at 31 st March, 2008
Electricity Charges	Adani Wilmar Ltd.	Fellow Subsidiary	313,099	80,475 Cr.
Lease Rent, Infrastructure Usage Charges & Land Charges	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	4703,423,942	1,575,700,438 Cr.
Storage Charges, Terminal Handling Charges, Etc.	Mundra Port and Special Economic Zone Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	3,970,765	3,970,765 Cr.
Loans to Companies	Adani Energy Limited	Fellow Subsidiary	200,000,000	-
	Aloka Real Estate Pvt. Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	600,000,000	-
Interest on Loan from Companies	Adani Energy Limited	Fellow Subsidiary	3,289,917	-
	Aloka Real Estate Pvt. Ltd.	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	4,412,184	-
Fuel Expenses	Adani Energy Limited	Fellow Subsidiary	68,096	9,736 Cr.
Reimbursement of Expenses	PT Adani Global	Fellow Subsidiary	511,518	-
Furniture Purchase	Adani Mining Private Limited	Fellow Subsidiary	500,000	500,000 Cr.
	Ezy Global	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	414,901	-
Contribution Towards Development/ Building Fund	Adani DAV Public School	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	200,000	-
Salary & Allowances	Sri R. K. Gupta	Key Management Personnel	2,751,666	-
Survey Charges and professional Fees	Adani Mining Pvt Ltd	Enterprise Controlled by Key Management Personnel / Relatives of Key Management Personnel.	8,17,635	8,17,635 Cr.

13. The company does not use derivative instruments to hedge its foreign currency exposure.

Foreign currency exposure not hedged by derivative instruments :

(In Rupees)	
Particulars	As at 31 st March, 2008
(a) Capital imports	1,868,356,393
(b) Bills payable	15,949,014
(c) Loan under letter of credit	4,552,158,044
(d) Usance interest accrued but not due	75,745,772

Signature to Schedule 1 to 13

As per our attached report of even date

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

PLACE : AHMEDABAD
DATE : 27th May, 2008

For ADANI POWER LIMITED

GAUTAM S. ADANI (CHAIRMAN)

RAJESH S. ADANI (MANAGING DIRECTOR)

AMEET H. DESAI (DIRECTOR)

DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May, 2008

Consolidated Cash Flow Statement for the period ended on 31st March, 2008

(In Rupees)

Period ended 31st March, 2008

Cash flow from operating activities	-
Cash flow from investing activities	
Purchase of fixed assets	(171,572,704)
Capital Work in Progress	(16,589,321,511)
Purchase of investments	(532,386,114)
Investments in Subsidiaries	(599,745,188)
Advance to Holding Company	(1,500,000,000)
Taxes Paid	(23,583,156)
Net cash used in investing activities	(19,416,608,673)
Cash flow from financing activities	
Proceeds from issue of Equity Shares	9,893,599,952
Proceeds from issue of Preference Shares	1,500,000,000
Increase in Share Application Money	809,744,188
Long Term borrowings	8,670,276,697
Miscellaneous Expenditure	(33,183,576)
Net cash generated from financing activities	20,840,437,261
Net increase in cash and cash equivalents	1,423,828,588
Cash and cash equivalents at beginning of year	497,146,789
Cash and cash equivalents at end of year	1,920,975,377

Note to Cashflow Statement :

- 1) Previous figures have been restated wherever necessary, to conform to this period's classification.
- 2) The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

As per our attached report of even date
For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

PLACE : AHMEDABAD
DATE : 27th May, 2008
For ADANI POWER LIMITED

GAUTAM S. ADANI	(CHAIRMAN)
RAJESH S. ADANI	(MANAGING DIRECTOR)
AMEET H. DESAI	(DIRECTOR)
DIGISH H. SHAH	(COMPANY SECRETARY)

PLACE : AHMEDABAD
DATE : 27th May, 2008

**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.	: 30533
State code	: 04
Balance sheet date	: 31-03-2008
II. Capital raised during the year:- (Amount in Rs.)	
Public issue - NIL	Right issue - NIL
Bonus issue - NIL	Private placement - Equity - 2,913,933,330 Preference - 1,500,000,000
III. Position of mobilisation and deployment of funds (amount in Rs.)	
Total liabilities	: 24472340980
Total assets	: 24472340980
Sources of funds:	
Paid -up capital	: 7020833330
Share application money	: 360599000
Reserves & surplus	: 6979166622
Secured loans	: 10111742028
Unsecured loans	: -
Application of funds:	
Net fixed assets	: 74767491
Capital work in progress	: 15009342968
Pre-operative expenditure	: 1624519009
Construction material	: 139198171
Advance for capital expenditure	: 7210564251
Investments	: 832269090
Net current assets	: (427940264)
Miscellaneous expenditure	: 9620264
Accumulated losses	: -
IV. Performance of company (amount in Rs. thousands) **	
Turnover(Including other Income)	: -
Total expenditure	: -
Profit/(Loss) before tax	: -
Profit/(Loss) after tax	: -
Earning per share (Rs.)	: -
Dividend Rate %	: -
V. Generic names of three principal products/services of company(as per monetary terms)	
Item code no. (ITC Code) **	
Product description	NOT APPLICABLE
Item code no. (ITC Code)	
Product description	NOT APPLICABLE
Item code no. (ITC Code)	
Product description	NOT APPLICABLE

Note:

** As the company has not carried out any commercial activities during the year the relevant information is not applicable.

For ADANI POWER LIMITED

GAUTAM S. ADANI (CHAIRMAN)
RAJESH S. ADANI (MANAGING DIRECTOR)
AMEET H. DESAI (DIRECTOR)
DIGISH H. SHAH (COMPANY SECRETARY)

PLACE : AHMEDABAD

DATE : 27th May 2008



ADANI POWER LIMITED

Registered Office: "Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009
FORM OF PROXY

I/We _____ of _____ being a member / members of the above company hereby appoint Shri / Smt./Kum. _____ of _____ or failing him of _____ as my/our proxy to vote for me/us and on my/our behalf at the 12th annual general meeting of the company to be held on Thursday, 25th September, 2008 at 1.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2008

Signature _____

Affix 1
Rupee
Revenue
Stamp

Folio No. _____ DPID No* _____ Client ID No* _____

* Applicable for members holding shares in electronic form.

No. of shares held: _____.

Note: The proxy and the power of Attorney (if any) under which it is signed or a notariaily certified copy of that power must be deposited at the registered office of the company at "Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009 not less than 48 hours before the date and time for holding the 12th annual general meeting.

ADANI POWER LIMITED

Registered Office: "Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009
ATTENDANCE SLIP

Full name of the member attending _____

Full name of the joint holder _____

(To be filled in if first named join-holder does not attending meeting)

Name of the proxy _____

(To be filled in if proxy form has been duly deposited with the company)

I hereby record my presence at the 12th annual general meeting to be held at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009 on Thursday, 25th September, 2008 at 1.00 p.m.

Folio No. _____ DPID No* _____ Client ID No* _____

* Applicable for members holding shares in electronic form.

No. of shares held: _____

Place : Ahmedabad

Member's/Proxy's signature

Note : Share holders/proxy holders are requested to bring the Attendance Slips with them, duly completed when they come to the meeting and hand them over at gate, affixing their signature on it.

